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Brutality in Kenya

Frank Morris &  
Andrew Maxwell

Reflections on "Reflections"

Ernst Zander

The American Economy

Robert Keller

"The New American Painting"

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Maximum Permissible Dose  
of Hokum '59

D. L. Watson

Material and Documents :  
Fall-Out

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## CONTEMPORARY ISSUES.

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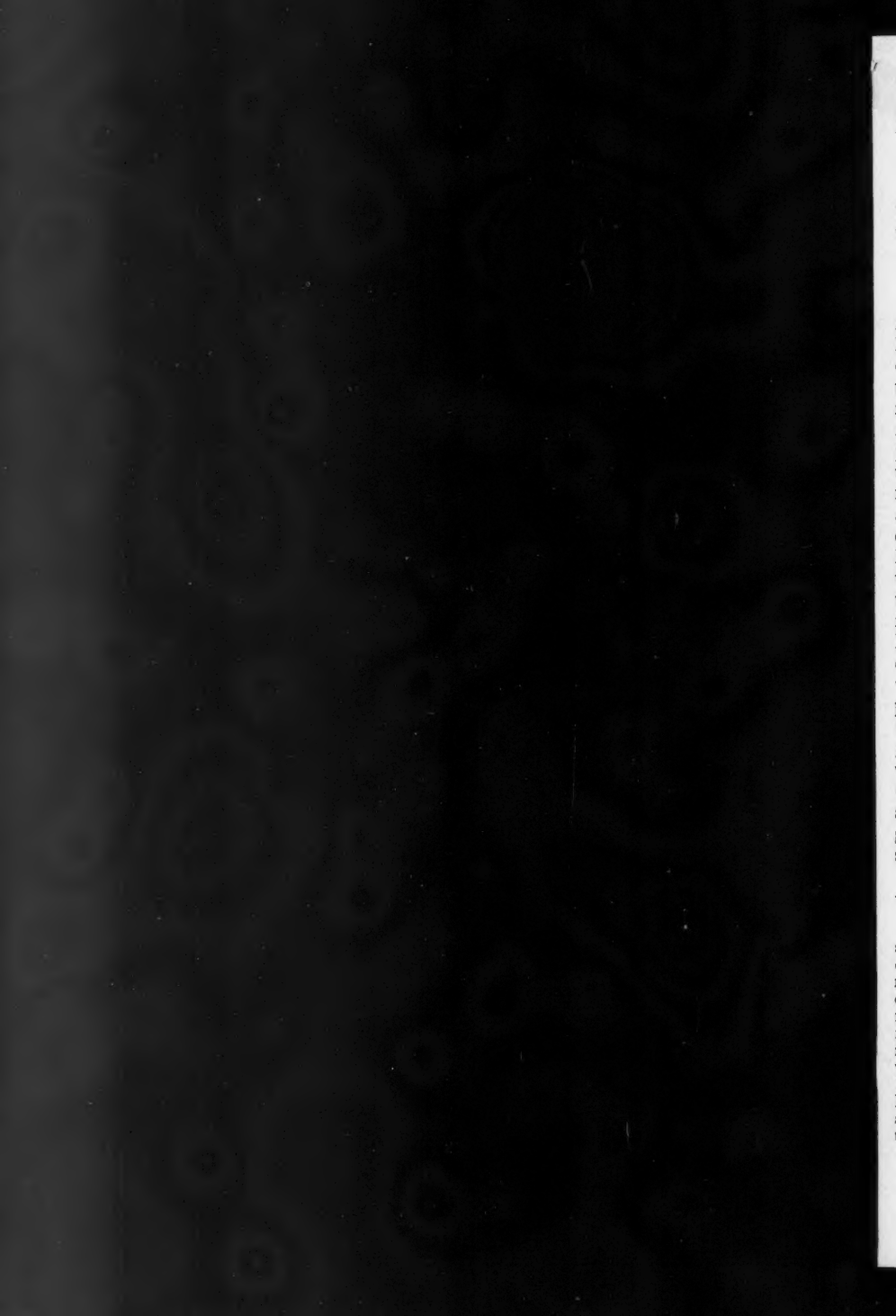
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## BRUTALITY IN KENYA

Kenya is a colony where white settlers have driven the original inhabitants from the most fertile lands (the so-called White Highlands) into overcrowded, impoverished reserves; where demands for cheap labour have disrupted the traditional subsistence economy of the indigenous people; and where, to make possible the accomplishment of the necessary deep changes in the social fabric of once independent peoples, the whites have perforce had to reduce these peoples to subjection. It is in the nature of the case, consequently, that violence and brutality should be endemic in the social structure fashioned by the white conquerors, founded as it is upon dispossession and subjection. Yet it remains a fact that, up to 1952, the attempts of the subject peoples, especially of the Kikuyu, to improve their lot had, for the most part, been peaceable and legal; and that it was only the consistent fruitlessness of such attempts that at length compelled the Kikuyu in despair to seek more forceful means of altering the insupportable conditions in which they were compelled to exist. Nevertheless, when, in 1952, the British Government declared a state of emergency, the savage measures used and the draconic laws enacted were asserted to be necessary to restore "law and order" amongst a people allegedly only a short stage removed from savagery. After the recent events in Nyasaland, it is scarcely necessary to add the gloss that the "law and order" in question is the privilege of the whites to a monopoly of violence against the Africans. From 1952 onwards, unrestrained brutality against Africans became the rule<sup>1</sup> and whenever cases of cruelty and torture towards captured Kikuyu guerillas—the so-called Mau-Mau terrorists—or towards those merely suspected of being, or of "consorting" with, "terrorists", became

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<sup>1</sup> Of course, the Kikuyu themselves also committed acts of unspeakable savagery. But the circumstances which induced them to do so (in most cases against Africans suspected of being in league with the whites, or manifesting lukewarm sympathy for the struggle) were the deliberate creation of the British Government and the settlers. It is sheer hypocrisy to moralise indignantly about these, while neglecting to condemn those who made them inevitable. Once the Kikuyus had begun their struggle for survival as an independent nation, they could not help acting on the principle that whoever was not clearly for them, was against them, and behaving accordingly. Deplorable as are, in principle, *all* instances of savagery, it is not for the Kikuyu, but for those who were determined to destroy them as a nation and wilfully drove them to such acts (by reason of their own inhuman savagery) that condemnation must be reserved.

public, they were invariably excused as "isolated incidents" for which extenuating circumstances were always found. The assault on prisoners at the Hola concentration camp, which resulted in 11 deaths and 70 injured, is the latest of these "isolated incidents" to be reported.

A few salient facts will put this latest outrage in perspective. Those who have not closely scrutinised the propaganda against the "savage Africans" may be surprised to learn that the emergency was declared when there had been not a single European death which could indisputably be laid at the door of the so-called Mau-Mau, and that during the first two years of most intensive operations, only 53 Europeans were killed, of whom only 25 were civilians. During this same period, at least 8,000 Africans were killed as terrorists, and a further 505 executed. Of these latter, 223 were executed for "murder", 172 for unlawful possession of fire-arms, 88 for "consorting" with terrorists, 14 for administering unlawful oaths (lawful oaths being the preserve of Government-appointed witch doctors!), six for acting with "intent to further terrorism" and two for procuring supplies for terrorists. According to John Gunther, from whose survey *Inside Africa* these figures are taken, in addition to those Africans executed, hundreds of Kikuyu were shot out of hand as terrorists or on mere suspicion of being terrorists. Any white man was empowered to challenge an African and to shoot to kill if he did not respond. On a mass scale, the Kikuyu were subjected to collective punishment, arbitrary confiscation of livestock, and summary arrest and removal from one area to another. During one operation, 50,000 Kikuyu were arrested and screened; and the overall number of arrests, etc., up to July, 1954, were: arrests, 165,462; screened, 136,117; tried, 68,984 and convicted, 12,924. To date, nearly 80,000 Africans have been detained, whilst 1,907 are still imprisoned.

From these figures it is clear that a one-sided war was waged (and continues to be waged) against the Kikuyu by a Government determined to force them back into complete subjection. Once the Kikuyu guerilla forces were broken, the Government used its powers of summary arrest and imprisonment of Africans without trial to hold African political and military leaders for indefinite periods. When trials were held, they were a travesty of justice. Not least among the factors contributing to this was the fact that "justice" was carried out with only two men in the whole Colony with a thorough knowledge of the Kikuyu language. The recent trial of Rawson Macharia for swearing a false affidavit in connection with the trial of Jomo Kenyatta, affirms once more that when put under pressure in the Colonies, British "justice" is no different from that seen in Stalin's carefully staged "trials". During this trial it was revealed that witnesses for the Crown included paid informers<sup>2</sup>, and that

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<sup>2</sup> *The Spectator* (31st July, 1959) in an excellent editorial on the Devlin Report on Nyasaland, remarks that "it is worth remembering that informers, wherever they exist, tend to get paid in proportion to the skill with which

bribery and the rehearsing of prosecution witnesses was common.

It would be a mistake to imagine that white savagery ended with military operations. On a number of occasions, disturbing reports have come of the ill-treatment of prisoners in the so-called "rehabilitation camps". By denying wherever possible, the validity of all such reports and allegations, while at the same time refusing to allow an *independent* inquiry with complete freedom to examine *all* camps without prior notice to be set up, the Government has sought to give currency to the belief that *systematic* brutality does not exist.<sup>3</sup> Nevertheless, quite independently of any evidence (which is, besides, not lacking, as will shortly be seen), one can assert *a priori*, merely from a knowledge of conditions in Kenya—the determination of the whites to retain their privileges at no matter what cost, on the one hand, and on the other, the insistent demand of the African majority for mastery in their own country—that at the point now reached, of a showdown, the systematically brutal treatment of Africans struggling for independence *must* take place; for that is in the last resort all the ruling white minority disposes of as a weapon against those who refuse to knuckle under.

That brutality is in effect the rule is the contention of Mr. Duncan MacPherson, a former assistant commissioner of police in Kenya, from whose letter to her, Mrs. Barbara Castle, a Labour M.P., quoted in the House of Commons during the Hola debate on 16th June<sup>4</sup>:

I know that hundreds of detainees were just listed and detained on the whims of various clerks with no authority whatsoever and who acted from their likes and dislikes. All seemed to be well, provided that a 10 per cent quota was returned for detention. I can most certainly blast that one wide open . . . because nearly every time any person gave me evidence of misconduct on the part of the guards they were whisked away on a detention order.

they can scare the authorities; and the evidence unearthed by the Devlin Commission suggests that the Nyasa informers were well aware of the fact". No doubt, in Kenya, informers were equally well aware of this.

<sup>3</sup> An administrative inquiry into allegations by a former prison officer that detainees were ill-treated, though (needless to say) it found that there was not the slightest suggestion of "systematic brutality", nevertheless disclosed three cases in which "gestapo techniques" (the official description) had been used. The first was of a man subjected to beating on the testicles; the second of a prisoner tortured by the infamous "water treatment" (described in detail by Alleg in *La Question*); the third of a prisoner forced to stand facing the sun, holding stones above his head.

<sup>4</sup> Mrs. Castle introduced the quotation with the following interesting remarks: "The trouble was that it had been a cover-up all along the line ever since Colonel Young resigned and his report had been deliberately suppressed. As the cases at Hola and others had begun to appear in the Press she had received correspondence from . . . Mr. Duncan MacPherson, who had been placed by Colonel Young in charge of the C.I.D. in Kenya in an attempt to get some of these abuses cleared up. Mr. MacPherson had carried on for a further two years after Colonel Young's resignation until, in despair, disgust and disillusion he decided he could not longer waste his time in Kenya. She quoted from his letter, which, she said, made it imperative for the Government to order an independent inquiry".

I would say that the conditions I found existing in some camps in Kenya were worse, far worse, than anything I experienced in my four and half years as a prisoner of the Japanese. I was horrified. I could never satisfy myself as to why violence was being used, although it appeared that unless a person admitted Mau-Mau "activities" he was subjected to it until he did.

What shocked me about the camps I saw were the general conditions, the methods of interrogation, and the appalling number of deaths that I investigated in these camps which were as a result of violence. I had little or no difficulty in establishing that fact but, like the Secretary of State, I had the greatest difficulty in establishing the facts.

I thought I could have had much more co-operation, or even appreciation of what I was trying to do. I thought that the spirit was lacking and I cannot recollect any occasion when I enjoyed what I was entitled [*sic*] to do.

I know that a senior police officer still in Kenya, and more senior now, actually saw prisoners being ill-treated, and instead of arresting those responsible, merely went to his office and told the D.C. I know that in that same camp I had to investigate the deaths by violence of several unfortunate inmates. I know that I was told by the Commissioner of Police to stop investigations into such things. I know that I refused and that was the main reason why I left Kenya in disgust.

Indeed, it is altogether too naïve to suppose that a "plan" such as Cowan's (in the application of which it was *anticipated*, as will shortly be seen, that there should be an unspecified percentage of deaths) could have suggested itself to anyone out of the blue. Rather, the very fact that such a notion as that of "planning" the ill-treatment of prisoners should have come into being at all, argues the existence of systematic brutality which had become accepted as the normal treatment for Africans in concentration camps, and to which revolting and barbarous practice the ruling circles in Kenya, together with the police and prison authorities, had become accustomed through long usage. In short, if all other evidence were lacking, the existence of the Cowan Plan alone, and its matter-of-fact acceptance and implementation, would be undeniable and sufficient proof of the fact that the Hola murders are part of a pattern of terror against Africans who struggle for their independence.

Proof of this contention is, however, to be found in the Report of the Disciplinary Committee on the events at Hola, which reproduces, with reference to this same Cowan Plan for manhandling detainees to work, a minute from the Commissioner of Prisons, in which the following revealing sentence is to be found: "The plans Mr. Cowan worked out . . . could be undertaken by us but it would mean the use of a certain degree of force in which operation someone might get hurt or even killed" (quoted in *The New Statesman*, 1st August, 1959).<sup>5</sup> Making due allowance for the necessary euphemisms

<sup>5</sup> *The New Statesman* then adds: "The Commissioner asked that this be considered by the Security Council. The Minister of Defence did not refer to the Security Council, nor did the Minister of African Affairs [no doubt one who "understands" Africans!—F.M.] who was consulted. Instead, an order was given that the Cowan Plan should be implemented and the decision conveyed to Superintendent Sullivan".

characteristic of such official minutes, one can state categorically that the Ministers concerned took it for granted that the violence recommended by them to force Hola detainees to work would result in an unstated number of injuries and deaths.

It is this evidence of concentration camp *mentality* (the product, as we have said, of conditions of long standing), rather than the single incident itself, which the Governor, Ministers and other authorities in Kenya, have been concerned to hide; for an act of exceptional cruelty, strongly to be condemned as it must be, by its very exceptional nature proves the rule that it is not common; whereas a *plan*, viz. the systematisation of cruelty, proves precisely the opposite, the everyday use of violence for which a mode of procedure has been drawn up. Hence the stupid attempt by the Governor and Ministers to attribute the death of the Hola Africans to their having drunk too much water. On this occasion, however, a coroner investigated the deaths and found that death was due to clubbing by warders instructed to manhandle prisoners who refused to work. Had it not been for this unusual circumstance—unusual, since, according to Mr. MacPherson, there is an “appalling number of deaths” in the camps, which are never investigated by coroners and never become known—no one would ever have known about this “first stage” in the so-called long-term plan of “rehabilitation” (!!) for “recalcitrants” formulated by the heads of the Kenya prison administration and approved by the Kenya Government.<sup>6</sup>

Of course, the coroner, too, sought to minimise the affair, and stated that “not a single detainee suggested that there had been a single blow struck by warders or any other form of ill-treatment prior to 3rd March . . .” (*Times*, 6th June, 1959). However, he then indicated what reliance was to be placed on this statement of his, by noting that *all* the witnesses in any way connected with the camp were unreliable and that only a few of the prisoners had agreed to testify. Nor, indeed, is it surprising that the majority of prisoners should have refused to testify, for how were they to know that they were not, by so doing, inviting further, possibly fatal, assaults or other “disciplinary measures”?<sup>7</sup> (Can one picture inmates of Nazi concentration camps giving evidence against the camp authorities?) Nonetheless, should there be any doubts on the score of the attitude of camp authorities to the airing of grievances by inmates, these are put to rest by the disclosure of a Labour M.P. to the House of Commons that he found, in the course of a visit to Kenya camps this year, that a prisoner had been punished for attempting to send a letter to a British M.P. Indeed, it stands to reason that camp authorities in Kenya should wish

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<sup>6</sup> This unknown number of deaths must be borne in mind when one reads of the “magnificent job of rehabilitation” performed in Kenya, which the Government has been making so much of since Hola.

<sup>7</sup> And, to leave nothing unsaid, how is one to know that these two prisoners who did testify had not been compelled to do so?

to keep their activities dark, in the manner of their counterparts in Nazi Germany, Russia, Algeria and elsewhere.

Before passing on to more general reflections arising out of this sordid episode, we should like to take up one further point: It is well known that, in general, extenuating circumstances for such acts of barbarity are sought in the character of the persons concerned. Propaganda has assiduously pictured the Kikuyu who took part in the rebellion as a savage horde, the worst of whom are beyond redemption and understand nothing but force. It is nowadays a fixed conviction that the Hola prisoners, especially, are amongst the "dregs of humanity"; they are the "hard core" of those who displayed an atavistic return to the grossest barbarism. *Ergo*, barbarism against them as justified. Now quite apart from the impossibility of admitting the validity of any justification for resorting to a barbarism which *ipso facto* puts those who resort to it on the same level as that of the alleged savages, it is odd to find that the conditions to be fulfilled by the Hola prisoners before being permitted to leave the inner barbed-wire enclosure includes (apart from recantation) the giving of the following promises<sup>(1)</sup>: (1) not to attempt to leave Hola [a virtually impossible task anyway]; (2) not to hold secret meeting; (3) not to join any political party. These are not promises one would expect a Government to demand from the criminal "dregs of humanity"; on the contrary, they are promises which are required from people the Kenya Government knows to be resolute and intransigent political opponents of its colonial regime and *who, it fears, will resume their struggle the moment they are freed*. And it is in truth these who constitute the "hard core",<sup>8</sup> men whom neither terror nor other forms of "persuasion" has been able to sway from their convictions and who, for that reason, are to be incarcerated indefinitely (without trial)<sup>9</sup> and subjected to the most savage persecution, because, their spirits not having been broken, they remain a source of danger to the handful of white conquerors who obstinately refuse to give up their now obsolete privileges and power based, as we began by remarking, on the *subjection* of the African indigenous majority.

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<sup>8</sup> That this is the true signification of the expression of "hard core" is proved by its being used in the Report of the Devlin Commission to refer to Dr. Banda, Mr. Chipembere, Mr. Chisiza and other leaders of the Congress in Nyasaland. "... Operation Sunrise was the arrest... of the 'hard core' leaders of Congress and their subsequent detention". And the whole conduct of the Governments concerned, their attempt at gaining credence for the fantastic "murder plot" shows the same mentality at work; the branding of political opponents as criminals and their treatment as such. It is no wonder that the All-African People's Conference in Accra "condemns all legislations which consider those who fight for their independence and freedom as ordinary criminals". Even Stalin, monstrous as are his crimes, yet made the distinction between criminals and political prisoners.

<sup>9</sup> There are still in Kenya an unknown number of Africans imprisoned in the course of earlier risings such as, for example, the Dini Ya Msambwa, a rebellion among the Suk tribe.



"Rehabilitation", that is, amounts to the acceptance by Africans in camps of what can only be called political *suicide*; namely *acceptance of white rule*.<sup>10</sup>

It is this simple, though fundamental, fact that needs to become recognised in Britain; for, without such recognition, even the best-intentioned opposition cannot hope successfully to counter Government propaganda, much less to educate public opinion to the level needed to force any decisive change in Government policy.

The pitiful showing of the genuine indignation roused by the disclosure of events at Hola is eloquent testimony to this grievous lack. At best, the protests limited themselves to denouncing the camp conditions and to demanding an independent inquiry into the running of the camps. No doubt such an inquiry would be useful in providing information; but its utility would end there. It could not suggest the means for correctly handling such information. The Hola revelations and the use made of them are an illustration of this.

In essence the protest (voiced, *inter alia*, by some members of the Labour Party) amounted to this, that there should be "well-run" prison camps. And this means less than nothing; for it is a "demand" with which the Government can (as it did in fact) perfectly agree; and, furthermore, one which permits it to treat the whole episode (as it, of course, did) as an "unfortunate incident", deeply deplored by it in common with everyone else. In short, such "opposition" accepts the *basis* of Government policy in Kenya, viz. the continuation in one form or another of white rule. In other words, it restricts itself to protesting about exceptionally revolting *symptoms*, while leaving the disease itself, not merely untreated, but undiagnosed. For that reason, such opposition is bound to fail; and, as voiced by the Labour Party, is rightly open to the charge of hypocrisy, since were the Labour Party in power, it could, so long as it remained committed to the same policy as the present Government's, act in no way differently with respect to the politically intransigent Africans who are not prepared to play their allotted role in the farcical game of "partnership", "multiracial government" and so forth.

The same criticism is to be made of the way in which was put the quite correct refusal to allow responsibility for the Hola massacre to be narrowed to a few individuals, when plainly, the Kenya Government (and, at one remove, the British Government) were equally culpable, even if not in the same way. To have limited the area in

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<sup>10</sup> If it should ever come to pass that there were a successful revolt against white rule, which resulted in atrocities against the whites and the determination of the Africans to drive out the whites entirely (something which, despite white savagery, is not necessarily on the cards), the whites would have only themselves to blame; for it is they who have set the stage, who have refused a reasonable compromise, have resorted to barbarism and have brought matters to such a pitch as to make a reasonable compromise impossible; unless, as is possible, the much-maligned Africans should prove themselves infinitely their superiors in humanity, enlightenment, tolerance—in short, in civilisation.

which the responsibility of the various agents was being discussed to the Hola massacre, the Cowan Plan, or even to prison administration as such, was to play into the hands of the British and Kenya Governments, for it gave them the opportunity to disclaim all *specific* responsibility (which alone was, in this narrow context, in question). Now, it is of course quite probable that Lennox-Boyd and even Baring and others knew very little about the day-to-day details of the administration of the prison camps; it is more than probable that many things were hidden from them, and that the reports they received were couched in general and suitably euphemistic language. Thus they might have been saying no more than the truth when they disclaimed personal responsibility for the *Hola massacre*, which specific atrocity they had *not* envisaged. (In the same way Khrushchev cannot be held personally responsible for each individual act of brutality committed by some Russian during the suppression of the Hungarian uprising.) Their responsibility, however, is no less real for being more general, viz. responsibility for working out and causing to be carried into effect, a *policy* of suppressing a movement for national independence, of which policy prison camps for political prisoners, the treatment of political prisoners as criminals, "brain-washing", "rehabilitation", and the manifold horrors which are inescapably part and parcel of such activities, are integral elements. It is for this that Lennox-Boyd, Baring and the British and Kenya Governments should have been attacked; and for this they would have found it impossible to disclaim responsibility.

As it was, Lennox-Boyd was given the opportunity (which he did not fail to seize) of voicing his hope that:

... a message would go out from the House to the Governor of Kenya and all supporting him of recognition of the success they had achieved, sympathy with their problems, and support for their determination to punish abuse and prevent and repetition of this disaster.

Nor was there in the House a single voice that could honestly be raised against this apologia for white rule *in general*.

But the fact is that so long as policy is dictated by the determination to preserve white rule in any form whatsoever, repressive measures against Africans struggling for independence are unavoidable; repressive measures at a certain point will result in the setting up of camps (however these may be called and their purposes disguised) for the reception of those who will not compromise and who are politically (and *not* criminally) dangerous; and camps for political suppression will end up as Holas, as surely as, given the appropriate general circumstances, clouds will bank up and produce thunder, lightning and rain.

Hola, that is, is the logical result of a policy of suppressing the aspirations of a people to independence, as much as are the atrocities committed in Hungary by the Russians and their stooges during and after the uprising, the policy of terror currently being carried out



by the Chinese in Tibet, the unspeakable systematic torture practised by the French Army in Algeria and so on. To prevent further Holas what is needed is not a "reform of prison administration", the honourable or dishonourable sacking of a couple of scapegoats (no matter how guilty these might be as individuals), nor the empty "determination" of ministers and governors to prevent their recurrence, but a radical change in policy which amounts to no more than the simple decision to give the African majority in Kenya the independence it desires. Short of this "cure" (which will put an end to the symptoms together with the "disease"), one can assert without fear of contradiction that, notwithstanding any "reforms" of the kind now asked for in this or that aspect of prison administration, atrocities will continue, though they may not become public.

Nor, it must be added, can such brutality, unavoidable so long as white rule continues, be confined to Kenya (or other Colonies). *The New Statesman* (25th July, 1959) in an editorial entitled "The Contagion of Violence", correctly and pertinently remarks, *à propos* of the beating up of Podola:

... recent incidents have spread the idea that the police have recently acquired the habit of beating up unpopular prisoners. Two policemen were convicted last week in Birmingham of an assault on a prisoner, and another was recently sent to prison in Scotland for a similar offence.

There have been other cases—the most shocking have occurred not in England, but in Cyprus and in parts of Africa.

The relation of these facts to the behaviour of British police in this country is direct—for two reasons. The first is that there is a direct relation between the police in Britain and in the Colonies. Some of our present policemen formerly served in Palestine and other trouble spots; some were paratroopers and commandos. Inspector Vibart, who is one of the officers engaged in the Podola case, was sent to Cyprus to advise the security forces on British police methods. The second reason is that the House of Commons has begun to realise ["begun" is, unhappily the right word, for it is but a very slight and hazy beginning—F.M.] that if brutality is permitted in the case of Africans, the contagion will inevitably spread to this country. This process has already happened in France, where steps are taken to harass the few newspapers and individuals who have the courage to protest against the officially admitted and regular use of torture.

The repeated attempts by thugs organised as the "National Labour Party", "Keep Britain White" and so on to break up important public meetings at which prominent African Congress personalities from Nyasaland and Southern Rhodesia have spoken against Government policy and demanded independence, are other indications of the contagion. These are disquieting portents which make it all the more imperative that opposition to Government (and Labour Party) policy for the Colonies should at last recognise the source of the evil and put itself in a position of being able to combat it effectively; for freedom abroad and freedom at home are, as France most recently has proved again, one.

10th August, 1959.

Ernst Zander

## REFLECTIONS ON "REFLECTIONS"

*It is with the deepest sorrow that we announce the death of Ernst Zander, who wrote also under the names Wilhelm Lunen and Erik Erikson. Zander had originally intended the article that follows to be no more than the beginning of a critical evaluation of K. K. Sinha's REFLECTIONS ON "THE GREAT UTOPIA"; but for reasons which need not be discussed here, decided not to complete the work. Incomplete though it is, the article is nonetheless a substantial contribution to the discussion, and Zander had, shortly before his death, agreed to its appearance in print.*

*The following remarks will serve as a background to the article:*

*Early in the life of this magazine, an article by Zander entitled "The Great Utopia" was presented for public appraisal. This long article covered a great range of material in an extremely trenchant fashion. Its purpose was to declare the bases and methods upon which those already gathered around this publication were to function and were already functioning—indeed to orient friends and readers, in general to construct immediately in embryo, and work toward the eventual erection of, a social order designed to meet the needs of man and not of profit.*

*It was expected that the new departure established with this declaration would provoke doubts and misunderstanding even among those who helped to put it forward. The expectation was fully met and compounded by the (in spite of its length) necessarily condensed form in which the article was presented. Since the views laid down in it were not to be considered "a finished doctrine", discussion and correction were, of course, in order. And quite a good deal ensued. Naturally, only written critique and discussion can be and has been made available to readers over the years. The latest reaction to "The Great Utopia" was K. K. Sinha's REFLECTIONS ON "THE GREAT UTOPIA" (Vol. 8, No. 29).*

Sinha's first mistake consists in the fact that he discusses Utopia whereas *The Great Utopia* discusses a plan for a political organisation and the considerations which have led to its conception. It can for

this reason entirely be set aside whether Sinha's views on Utopias are wrong and even contradictory (which is indeed the case), or whether, on the other hand, Stalinism is "implied" in Marxism and Leninism (an assertion which we reject completely). It must be noted, however, that the *intellectual* advance in social matters of which Sinha speaks was not one from "Utopia to Utopia" but from Utopia to science. Neither Marx nor Lenin wrote anything resembling a description of life in a society of the future (the core of all Utopias)—they were concerned solely with a scientific analysis of the capitalist mode of production and the tendencies which would eventually lead to its dissolution. *The Great Utopia*, for its part, rejected the *political* conception of Marxism and stated otherwise only the following:

But all endeavours had to remain fantasy and Utopia, the problem of humanity could, in the final analysis, find merely a temporary solution "in evil" as long as it was not possible to produce sufficient goods for the satisfaction of even the most urgent needs of everybody. This decisive difficulty was only removed by the so-called *Industrial Revolution* which, towards the middle of the last century, also encompassed Germany and America and constituted the basis for the "Communist Manifesto", which appeared in 1848, that is, for scientific socialism in general. To have elaborated the simple fact that the dream of humanity was not realisable without definite material prerequisites (while at the same time proving that these prerequisites were maturing) remains an historical act of sweeping significance—the great merit of the much-maligned Marx and Engels. And as long as the material prerequisites for a higher social organisation have not been destroyed, there is nothing *in principle* to obstruct the solution of the social question with which all controversies are concerned.

Thus describing the "intellectual" advance from Utopia to science, *The Great Utopia* went an important step farther and declared:

Having arrived at the utmost entanglement, the character of the social question is transformed into its opposite: The problem becomes quite simple again and requires for its solution in principle no other method than that by which Alexander unravelled the Gordian knot. With it, the century-old controversy over Marxism has also become historically redundant. For a long time already it has ceased to be a question of determining the future course of historical development but has been one of utilising sensibly an achieved result. Since the material bases for the overcoming of the crisis of humanity demonstrably exist, the task is reduced to a mere measure of administration which can be accomplished with existing forces and means and can be enforced by democratic majority decision. The position with regard to theoretical dispute is essentially the same as that of a practitioner who is engaged in saving mother and child by a Caesarian operation and no longer discusses whether historical materialism or Christianity is the correct doctrine. A new consciousness of the practicability of the old "Utopias of reason" is necessary and, at the height of confusion, will drive its way through . . . the task therefore is to stimulate consciousness into making an inventory of resources and into showing how and by what means the proposed aim is to be achieved.

The essence of this quotation is itself of a theoretical nature and consists in what the present writer expressed in earlier discussion

round *The Great Utopia* as follows: "To understand a theory means to overcome it [in other words: to go beyond it], to be no longer dependent upon it in practice".<sup>1</sup> This, in turn, does not mean that older theories cannot come up in discussion in other connections (on the contrary, that is unavoidable and useful in the interests of general intellectual advancement); it means concretely that the question of Marxism has no bearing on the issue at hand and that, with regard to the solution of the social question, we can act as if reason alone had suggested the solution. Of real significance for the discussion of *The Great Utopia* are only two items: (a) the question of the material bases for a rational society if one doubts or denies that they demonstrably exist; (b) the organisational plan itself. One can agree or disagree with the rest without altering anything in these decisive issues. Concerning the question of the material bases (which *The Great Utopia*, following its specific aim, the organisational plan, simply took for granted) Sinha seems to have no objections and is content to stay outside the issue proper with the remark: "If today it is technologically possible to provide all the people with food, clothing and shelter, as *The Great Utopia* suggests, such a possibility has arisen only out of the efforts and achievements of the past and present". Since this assertion is self-evident, the task is to examine what Sinha develops round the second question, the organisational plan.



Though Sinha storms open doors in dwelling upon Utopia and Marxism, he nevertheless raises therewith some points of interest for the discussion. He writes, for instance:

From the psychological point of view, Marx and Lenin were extremely intolerant in their intellectual attitude towards others; Stalin extended it to the realm of practice. Quite logical: And a mass movement fed on the ideas of *hatred* (class hatred), *struggle*, *capture*, *power*, *dictatorship*, *deviation*, *liquidation*, cannot but produce the typical Communist individual and society that we all know today, although this real picture may have been far removed from the one envisioned in the Utopia. We may go even farther and say that the prolonged cumulative effect that such a world-wide movement must have had on the society as a whole, was so great that even the anti-communist movements (like that of fascism) also promoted a similar character-forming influence on the individual.

First, the notion of *intolerance* needs some clarification if we want to leave the framework of popular but meaningless intellectual prejudices which disseminate much confusion. Whether regarded from the "psychological" or any other point of view, intolerance, like its close relative, *intransigence*, is a quite natural and necessary phenomenon. Neither in nature and society nor in the intellectual

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<sup>1</sup> "Majority and Minority", *Contemporary Issues*, Vol. 3, No. 10, p. 114.

sphere would there be any development (let alone a progressive one) without "intolerance", i.e. without overcoming, overruling, overwhelming, overturning, violating, destroying and so on. With nature and its elemental convulsions one cannot argue, and it is superfluous to argue with those strange saints who pose the problem of intolerance in regard to killing flies, roaches, lice and even bacteria. But if one raises this problem in the political and intellectual sphere, it is of great importance to note that the kernel of even the most democratic discussion and decision is precisely intolerance and intransigence. The urbane form which discussions and decisions can and should take does not eliminate the intolerant norm by which, for all practical purposes, the individual opponent or the defeated minority is forced to give in for better or worse. There are, of course, discussions in which, under the weight of the arguments presented, one side will give up the opinion hitherto held and adhere to the opposite view; but that is by no means the effect of tolerance—on the contrary, it is due to the fact that the argument became intolerable for the wrong view to bear. There are, on the other hand, instances in which it is factually criminal to show the slightest sign of tolerance, i.e. where it becomes imperative to be intolerant even in formal respects and to take a forthright denunciatory attitude without discussion. This is especially the case in the political sphere, any time that a powerful and irresponsible minority acts against the interests of a deceived or directly violated majority. To give an example: Contemptible is the man who, deeply convinced that atomic experiments are disastrous for life on this earth, does not stand implacably (and if necessary alone) against them and does not denounce their ignorant, irresponsible or lying sponsors.

It is for these and many other reasons absolutely irrelevant whether or not Marx and Lenin were extremely intolerant in their "intellectual" attitude—the simple and ineradicable fact is that the essence of all controversial intellectual matters from theology to philosophy and science is intolerance and that not only churches, governments, parties, Nehru, Eisenhower, Stalin and numberless creatures of their calibre, but also men of true conviction and integrity from Buddha, Confucius and Socrates to Marx, Lenin and so on *have extended* it to the realm of practice (one has to keep in mind that even intellectual activity is but another kind of practice, no matter what it may be worth in any single instance).

But if, generally speaking, intolerance is the core of politics and argumentation and all of us (ourselves and Sinha included) will be and have to be intolerant at one point or another, the problem of intolerance still exists and has to be dealt with when it is thrown into the debate. The beginning is the insight that tolerance is as natural and necessary in every sphere as intolerance and that (in philosophical terms) neither the notion of tolerance nor that of intolerance could have been conceived if they were not mutually interdependent and inseparably bound together. In plain language: what appears as tolerance in one respect appears as intolerance in another—both

tolerance and intolerance become problems only if they are over-extended and turn into vices. The overall criterion for such over-extension is lack of inner justification or necessity—a point which a few characteristic examples from an otherwise inexhaustible material may suffice to illustrate:

1. Martin Luther was undoubtedly "intolerant" when he wrote:

The heathen were able, by the light of reason, to conclude that a usurer is a double-dyed thief and murderer. We Christians, however, hold them in such honour, that we fairly worship them for the sake of their money . . . . Whoever eats up, robs, and steals the nourishment of another, that man commits as great a murder (so far as in him lies) as he who starves a man or utterly undoes him. Such does a userer, and sits the while safe on his stool, when he ought rather to be hanging on the gallows, and be eaten by as many ravens as he has stolen guilders, if only there were so much flesh on him, that so many ravens could stick their beaks in and share it. Meanwhile, we hang the small thieves . . . . Little thieves are put in the stocks, great thieves go flaunting in gold and silk . . . . [One sees: Tolerance toward the great thieves is based on intolerance toward the little ones and *vice versa*]. Therefore is there, on this earth, no greater enemy of men (after the devil) than a gripe-money, and usurer, for he wants to be God over all men . . . . Usury is a great huge monster, like the were-wolf, who lays waste all, more than any Cacus, Geryon or Antæus. And yet decks himself out, and would be thought pious, so that people many not see where the oxen have gone, that he drags backward into his den. But Hercules shall hear the cry of the oxen and of his prisoners, and shall seek Cacus even in cliffs and among rocks, and shall set the oxen loose again from the villain. For Cacus means the villain that is a pious usurer, and steals, robs and eats everything. And will not own that he has done it, and thinks no-one will find him out, because the oxen, drawn backwards into his den, make it seem, from their foot-prints, that they have been let out. So the usurer would deceive the world, as though he were of use and gave the world oxen, while he, however, rends, and eats all alone . . . . And since we break on the wheel, and behead highwaymen, murderers and housebreakers, how much more ought we to break on the wheel and kill . . . hunt down, curse and behead all usurers.

It is possible to disagree with details like "break on the wheel" and the rest in this vein, because torture can be regarded as unnecessary with both the usurer *and* the highwayman, but one can hardly dispute that Luther's intolerance toward the usurer, as manifested by his denunciation of the latter in violent and yet quite appropriate terms, is deeply justified.

2. Bishop Berkeley was not less intolerant when he declared:

How great a friend material substance has been to Atheists in all ages were needless to relate. All their monstrous systems have so visible and necessary a dependence on it, that when this cornerstone is once removed, the whole fabric cannot choose but fall to the ground, inasmuch that it is no longer worth while to bestow a particular consideration on the absurdities of every wretched sect of Atheists.

Though many philosophers find that there is no objective justification for terms like "monstrous", "absurdities" and "wretched" with regard to materialistic concepts and schools (called "sects")—there is also nothing wrong in this kind of theoretical



intolerance so long as it is not overextended into social persecution of the "Atheists" and grants them the right to polemize against Bishop Berkeley's (in *their* view) utterly monstrous, etc., system.

3. What is good for Bishop Berkeley and those who hold similar views is also good for Lenin, who exercised nothing but his good right in polemizing against Mach and his followers:

An old song, most worthy Professor! This is a literal repetition of Berkeley who said that matter is a naked abstract symbol. But it is Ernst Mach, in fact, who goes naked, for if he does not admit that the "sensible content" is an objective reality, existing independently of us, there remains only a "naked abstract" *I*, an *I* infallibly written with a capital letter and italicised, equal to "the insane piano, which imagined that it was the sole existing thing in this world". If the "sensible content" of our sensations is not the external world then nothing exists save this naked *I* engaged in empty "philosophical" acrobatics. A stupid and fruitless occupation!

4. Of the same unproblematical character is the following denunciation of Edmund Burke and Co., by Marx:

The phrase, "labouring poor", is found in English legislation from the moment when the class of wage-labourers becomes noticeable . . . From the Statute Book it passed into political economy, and was handed down by Culpeter, J. Child, etc., to Adam Smith and Eden. After this, one can judge of the good faith of the "execrable political cant-monger", Edmund Burke, when he called the expression, "labouring poor",—"execrable political cant". This sycophant who, in the pay of the English oligarchy, played the romantic *laudator temporis acti* against the French Revolution, just as, in the pay of the North American Colonies, at the beginning of the American troubles, he had played the Liberal against the English oligarchy, was an out and out vulgar bourgeois. "The laws of commerce are the laws of Nature, and therefore the laws of God." . . . No wonder that, true to the laws of God and Nature, he always sold himself in the best market. A very good portrait of this Edmund Burke, during his Liberal time, is to be found in the writings of the Rev. Mr. Tucker. Tucker was a parson and a Tory, but, for the rest, an honourable man and a competent political economist. In face of the infamous cowardice of character that reigns to-day, and believes most devoutly in the "laws of commerce", it is our bounden duty again and again to brand the Burkes, who only differ from their successors in one thing—talent.

5. A deeply justified denunciation of those who over extend their intolerance and make or advocate barbaric laws under which a number of gratifying and absolutely natural sexual activities are penalised (often with extreme severity), is the following from one of Kinsey's reports:

There is no ocean of greater magnitude than the sexual function, and there are those who believe that we would do better if we ignored its existence, that we should not try to understand its material origins, and that if we sufficiently ignore it and mop at the flood of sexual activity with new laws, heavier penalties, more pronouncements, and greater intolerances [!], we may ultimately eliminate the reality. The scientist who observes and describes the reality is attacked as an enemy of the faith, and his acceptance of human limitations in modifying that

reality is condemned as scientific materialism [as if the latter were one of the seven deadly sins!].<sup>2</sup>

6. Over-extended intolerance was shown by Ernst Mach who, instead of simply defending his own view concerning the atom, threatened to decline further intercourse with men who, like Max Planck, asserted the *reality* of the atom.<sup>3</sup>

7. The peak of over-extended intolerance is reached in all forms of inquisition. In itself nothing would have been wrong if Calvin had only claimed his right to preach and to uphold his (intellectually) crude, utterly brutal and intolerant dogma of predestination; but when he extended his practice into merciless annihilation of those who opposed his doctrine, he became, like Stalin and Hitler, one of the most abominable examples of intolerance in the history of mankind.

8. Another, and in most cases, unconsciously employed form of over-extended intolerance consists in conducting an argument while ignoring the counter-argument already offered. Thus, Sinha himself, though obviously not aware of what is involved, is unjustifiably intolerant when he insists that the alleged Communist *Utopia* and the *Communist Reality* are "organically" connected and that there is a *Communist* society that "we all" know today. He takes no notice of the arguments which *The Great Utopia* submitted against such a view and makes no attempt to show us where there is even the slightest trace of "communism" in the Russian society that "we all" know today. The communism of Marx, Engels, Lenin, etc., has, besides other features, a definite economic meaning, and if this meaning is completely lacking in Russian reality, one may say a lot of things (for example: That the attempt to realise communism has ended in *failure*); but one cannot assert that the direct opposite of communism is—communism. In other words: Without over-extended intolerance towards arguments, Sinha would have at least taken issue with the statement of *The Great Utopia*:

Russia has not the slightest connection with Socialism or

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2 The Kinsey Reports contain many such denunciations, of which one is of special interest because it shows that the source of intolerance is sometimes professional rivalry or, more bluntly, ordinary competition:

"Some of the psychologists contended that sexual behavior involved primarily psychological problems, and that no biologist was qualified to make such a study. Some of the sociologists felt that the problems were for the most part social, and that neither a biologist nor a psychologist was the right person to make a sex study. A few of the psychoanalysts felt that sexual behavior could not properly be studied by anyone but a psychoanalyst. One group of physicians objected that taking histories constituted clinical practice, and that all such studies should be made by clinicians inside of clinics."

3 See "The Problem of Social Consciousness in our Time", by Wilhelm Lunen, *Contemporary Issues*, Vol. 8, No. 31, p. 511.



"Communism" whether in the national or international, ideological<sup>4</sup> or material sense. The nationalization of the means of production which (for example, also in England) is misrepresented as "socialism" does not in the least alter the character of the economy as a private profit economy (it remains irrelevant whether it is managed in the interests of the old owners or of a new bureaucracy). It does not overcome a single one of the devastating consequences of the capitalist system but rather drives these vehemently toward that point where unrestrained Russian barbarism makes manifest the final outcome of capitalist development.

Since Sinha does not refute this statement, we may, in the interests of an unambiguous discussion, "intolerantly" assert: Any serious study of both theoretical Communism and Russian reality *must* lead to the cognition that the system in Russia is a *capitalist-totalitarian* one and that Sinha's typical "Communist" individual is nothing but the product of *capitalist* degeneration.

Conclusion for the question of intolerance: It is senseless to argue against natural phenomena as such—in order to determine whether intolerance is objectionable one has to leave the framework of generalities and focus on *concrete* cases.



The same reflections as those above apply to the notions "hatred", "class hatred", "struggle", "capture", "power", "dictatorship", "deviation", "liquidation". It goes without saying that all these phenomena, too, represent forms of intolerance and are in themselves as natural and unavoidable as the latter. Thus the history of mankind is full of them from the beginning (the history of India being by no means an exception) and there would be again no development had they not entered the social process as an inheritance from nature. Hobbes's *bellum omnium contra omnes* expresses this state of affairs (which includes also religious hatred, race hatred, witch hunting, wars and so on); class struggles and class hatred were recognised before and independently of Marx; Darwin's *struggle for life* and the famous *survival of the fittest* were not only accepted in the realm of living nature but eagerly seized upon as a justification of the bourgeois *status quo*, with its universal competition and the merciless elimination

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<sup>4</sup> For the problem at hand, the ideological or theoretical side is as crucial as the material side. Sinha is somewhat conscious of the enormous discrepancy between Marxian communist theory (which has been, to boot, replaced by Stalin's revisionism and falsification) and Russian reality, but he glides over the problem and tries to save the *organic connection* between the Communist Utopia and Communist Reality by saying that a *mass* movement fed on the ideas of hatred and so on cannot but produce the typical Communist individual and society that we all know today, *although this real picture may have been far removed from the one envisaged in the Utopia*. Unfortunately, the point is that neither a mass movement nor anything else can make the real picture of Stalin's Russia "Communist", although the mass movement and a number of other factors can well serve to explain why the whole communist experiment was doomed from the beginning.

of those not "fit" enough to survive it. Indeed, so great was the desire to defend the bourgeois order as the "fittest" of all social orders that the "struggle for life" was declared to be a general principle, applicable to the development of ideas, languages, political relations, logic (executed by Potonie) and even to inorganic nature (for cosmology, applied by Carl du Prel, for mineralogy by Johannes Walther).<sup>5</sup> In short: There was all of a sudden nothing but struggle, and this one-sided and truly narrow-minded bourgeois view was so deeply rooted in the existing economic and social relations that it carried the day even with the masses, who knew nothing about its ideological formulation. The only ones who opposed it were the Marxists who (to go no further than what is of philosophical interest in the given context) in essence pointed out that, exactly as in the case of intolerance, the notion "struggle" could not be conceived of without its counterpart. As Engels put it:

The interaction of dead natural bodies includes both harmony and collisions, that of living bodies conscious and unconscious co-operation

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<sup>5</sup> The class motive behind this drive is well seen by V. F. Calverton in the following passage from his "Introduction" to *The Making of Man* (Modern Library, Inc., 1951) which, besides, is an excellent illustration for Wilhelm Lunen's previously mentioned article "The Problem of Social Consciousness in our Time":

"Darwin's theory of evolution supplied the need for a new philosophy of life. It not only afforded a new vista of human development, but it also provided a new justification of world-progress in terms of western civilisation. The evolution of man was seen as a form of infinite progression, from lower forms to higher, with modern civilisation as representative of the highest form in the evolutionary scale. But more than that, the Darwinian theory of natural selection made survival synonymous with advance. Since all life was a struggle for the *survival of the fittest*, that which survived was superior. And since western civilisation had survived the most successfully in the struggle of civilisations, it must of necessity represent the highest point in human evolution. In keeping with this logic, the principles and institutions of western civilisation were inevitably viewed as typical of the most advanced in the history of human mores. Private property, the monogamous family, the democratic political state, were all looked upon as exemplifying the great moral progress of man. Individualism was envisioned as marking the great advance of civilised man over the savage—the supremacy of the differentiated over the undifferentiated. In other words, the Darwinian doctrine of evolution and the consequences of its logic proffered the best justification of the *status quo* that had appeared in generations. It harmonised perfectly with the philosophy of the ruling class of that day. Modern commerce and industry had broken down the ideological defenses of the old order which had grown up with feudalism and the agrarian tradition; new defenses were necessary for the new ideological front. The Darwinian doctrine supplied that defense. It rooted *laissez-faire* economics with its competitive logic in the very scheme of nature itself. It sanctioned individualism and the division of classes on the basis of the necessary struggle for the survival of the fittest. It even served as a prop for nationalism and the expanding imperialism of the time. Whatever was, was, because it had to be—because it ought to be."

equally with conscious and unconscious struggle. Hence, even in regard to nature, it is not permissible one-sidedly to inscribe only "struggle" on one's banners. But it is absolutely childish to desire to sum up the whole manifold wealth of historical evolution and complexity in the meagre and one-sided phrase "struggle for life". That says less than nothing.

In general, of course, the ideological defence in the form of the "struggle for life" had to be abandoned, but new defences are always needed, and the basic one-sided bourgeois logic survived in other fields, especially in the field of modern psychology. Sinha's main weakness is that he stands under the influence of the latter and tries to sum up the whole manifold wealth of historical evolution under this meagre, one-sided and also fantastic view in the same way as Freud did (*Totem and Taboo*), who, for his part, followed a well-established pattern. It is superfluous to argue with Sinha about an alleged mass-movement which was and is, as a *world-wide* movement and notwithstanding successes in elections which the "Communists" have had in some countries, some 95 per cent an illusion. It is also superfluous to argue about an alleged "prolonged cumulative effect that such a world-wide movement must have had on the society as a whole" and which was "so great that even the anti-communist movements (like that of fascism) also promoted a similar character-forming influence on the individual". It may in this respect simply be stated that Sinha, who sees as "quite logical" a Communist society far removed from the *theoretical concept* of communism and thus a Communist individual without communism, produces both by means of a mass movement one-sidedly fed on the idea of hatred and the like. In reality, however, the communist movement (in so far as it existed at all as the movement of a tiny minority even in Russia) was equally "fed" on the ideas of solidarity, brotherhood, justice, elimination of power, liquidation of dictatorship and class struggle, etc. And since, in reality, the communist experiment has completely failed, Sinha's "summing up" of that movement in psychological considerations tells us less than nothing. The dry facts are: (a) that the whole civilised and half-civilised world (Russia included) stands totally under the influence of the bourgeois order even where the latter meets with opposition; (b) that individuals like Stalin are "psychological" types essentially not different from types like Calvin, Luther, the Borgias, Hitler, Mussolini and thousands of others down to McCarthy.

On the other hand: It is totally irrelevant what the "Communists" did—hatred, struggle and their consequences cannot be eliminated in any class society and we have again to decide concretely whether they are progressive or reactionary, justifiable or unnecessary, corresponding to the situation or over extended, etc. The crux of the matter is that there would be no incentive for the transformation of one form of society into another if, from the psychological point of view, the existing form of society did not provoke hostility, hatred, struggle and—in some circumstances—open warfare to the bitter end. The

driving forces for social changes and the resulting psychological reactions are, moreover, factors which lie quite outside of the will of individuals, parties or classes. Individuals or organisations possessing insight may try to utilise these factors for progressive or reactionary purposes, but no Hitler and no party can create them, no Ghandi and no pacifist movement can eliminate them.



Another point which needs clarification is the social change itself. Concerning this question, it is not clear where Sinha stands, for he declares:

But while undertaking this great pioneering work [to evolve a new Utopia], it is necessary also to remember that Utopia of whatever age is nothing more than a Utopia; that is, it is only an *imaginary* ideal, never to be realized. It can at least be approximated to. For, so soon as it is realized, it no longer remains a Utopia. And when the "Utopia" is so realized, its limitations and inadequacies become more apparent and evident by human experience, and this awareness provides the need for a new Utopia. Thus, man advances *intellectually* from Utopia to Utopia, which provide him an inspiration to improve upon his social system and institutions.

This confused and (as said before) contradictory declaration is later followed by two passages which read:

(a) Let us, therefore, be clear about the limited function that a Utopia can perform. It gives us a broad and very general outline of principles on which the social framework is to be founded. It does no more than that.

(b) The movement will endeavour to *approximate* towards the Utopia. If the movement develops under the notion that the Utopia can be actually realized and then finds it always out of reach, there will develop frustration and all the evil effects resulting from it. A whole-hogger attitude leads to a kind of puritanism in the movement which places the latter in crises even in its day-to-day activities. On the other hand, if the movement is tuned to a perspective of continuous effort towards a closer and closer approximation, these crises will be avoided as well as their vicious effects on the individual participant in the movement.

We are thus on the whole confronted with a reformist approach which is, indeed, if applied to the capitalist system, Utopian in Sinha's sense. However, *The Great Utopia*, being an organisational plan and not a Utopia in *any* sense, aims at a real, i.e. fully realisable, social change. The broad and very general principle on which it rests in this respect is *production for the satisfaction of human needs instead of commodity-production* (production in order to sell with profit). This principle is at the same time immensely concrete and is subject to the formula: *aut . . . aut*. There is, in other words, no *approximation* to it: Either we produce for profit, and then the social framework remains what it is—or we produce for use, and then the principle on which the new social relations *were* to be founded is objectively established. Since this in itself cannot be disputed,

objections must be based not on abstract reflections on "Utopias", but must consist in concrete proof that the proposed change can never be effectuated. It would be of the highest theoretical and practical interest to have objections of this kind presented and discussed.

Naturally, a sense of frustration may develop if, for whatever reason, it takes a long time until the change can actually be brought about. But first, there is no guarantee that an orientation towards a closer and closer approximation will do any better (on the contrary: All reformist approaches end in frustration); secondly, there is no reason to introduce such an orientation where it is simply impossible and consequently would mean to lie.



Coming closer to the discussion of the organisational plan, Sinha gives the general advice:

The deep rooted tradition of quoting scriptures and trying to adjust oneself, or make others do so, to the wise words of some authority like Marx or Lenin, etc., has to be given up, slowly but steadily with constant effort. (It cannot be done overnight.) The intellectual gods have to be dethroned, and we have to stand each on our own intellectual judgment. That is the beginning of "individuation".

This is one of the many commonplaces (much in vogue amongst so-called "independent thinkers" of all ages) which sound very wise, and make in reality no sense at all. True, there are people who cannot say a word without quoting abundantly, but that aside: It would be a good thing to study the wise words of all the world's authorities and we should try to understand them before we use our own intellectual judgment, for we are of necessity ignorant in most matters and produce a lot of nonsense in judging them on our own. Far from being the beginning of "individuation", the dethronement of the intellectual gods would be the sanction of an intellectual arrogance from which the world suffers more than from any other evil. Mr. Eisenhower, for example, who reads only comic strips and Westerns, has surely dethroned for himself all intellectual gods. Well, let him stand on his own judgment instead of on that of his advisers, and his declarations will become still more shallow and ridiculous than they are now. And on what else will Sinha himself base his judgments if not on the knowledge of the authorities in philosophy, economics, education, the sciences, etc., etc.? If he does not learn economics from Smith, Marx, Keynes, Grossman or some other authority installed in India, etc., etc., he would—if he wants to judge, nevertheless—have to write his own economics and thereby become but another authority. And to crown it all, he would have to be dethroned by those who follow his advice and stand on their own intellectual judgment, by definition dethroning one another *ad infinitum* in order to become more "individuated". One sees the absurdity of the proposition: Intellectual judgment is itself an art

which (based on knowledge) has to be acquired by training—the pseudo-democratic demand, however, that "each" of us should stand on his "own" judgment is Utopian (in Sinha's sense) in our capitalist society, which, for the duration of its existence, will leave even the overwhelming majority of the intellectuals (let alone the masses) without such training and subject them to the grossest dilettantism outside their own narrow fields. The moral of it: If we want to help, we must clearly state what we have to say *against* this or that wise or unwise word uttered by this or that authority or non-authority (no matter whether we are right or wrong); but we must not give recipes which are cheap, meaningless and thus only intellectual counterparts of the industrial sham-production in our capitalist society.



In somewhat strange contrast to his intolerance of the intellectual gods (whom he simply wants to dethrone), stands Sinha's recommendation that "the movement should not look upon the past and the present as an unmixed evil, as 'pre-history', as devil incarnate, as the enemy in which there is no iota of good". Amplifying this recommendation, he writes:

There are some people who cannot think of striving towards a better without having a fight with "Satan". Evil is there in the present, but not evil only. There is no point in condemning the *entire* past and present. We must try to find out what is good in it and then try to rescue it [which we should also do concerning the intellectual gods!] and with it create a new pattern of living in which good will predominate. If today it is technologically possible to provide all the people with food, clothing and shelter, as *The Great Utopia* suggests, such a possibility has arisen only out of the efforts and achievements of the past and present. Possibly on a closer and more bias-free attitude, we might find that what exists today as an economic pattern and which we are used to condemn as "capitalism" or "bourgeois" may have ideas that need to be isolated and rescued and further developed and enriched. The point I want to emphasise is that the movement should not feel the *psychological need for an enemy* or a devil for generating what is called "revolutionary fervour" against it, or an object upon which to heap its wrath and destructive vengeance and thus dissipate the pent-up emotions of the movement. Such a psychological base of the movement is not conducive to the growth of a "free" personality or a harmonious society of free individuals.

In so far as this makes sense at all, it is so self-evident that it needs no emphasis, for nobody who has not lost his head will look upon the past and present as an unmixed evil, condemn them entirely, and so on. *The Great Utopia* and the discussion around it (to which Sinha later refers) have made it very clear that we are far removed from childish moral judgments of objective processes and not so incredibly idiotic as to believe that the possibility of a better society was born in the skies. In the latter respect, *The Great Utopia* even opens with the statement:



But all endeavour to make life secure for all had to remain fantasy and Utopia, the problem of humanity could, in the final analysis, find merely a temporary regulation "in evil" so long as it was not possible to produce sufficient goods for the satisfaction of even the most urgent needs of everybody. This decisive difficulty was only removed by the so-called *Industrial Revolution*, which, towards the middle of the last century, also encompassed Germany and America and constituted the basis [!] for the "Communist Manifesto", . . . that is, for scientific socialism in general.

Since this is clear, and since, on the other hand, the advance of civilisation is by no means an unmixed "blessing", we may ask: And what is wrong in calling history as it is hitherto known "pre-history", in comparison with a state of affairs in which not the *material* interests of a tiny minority, but the interests of *humanity as a whole*, will be decisive? Apparently, Sinha is biased against Marx (who coined the term); but for Marx himself "pre-history" is the same objective statement as is involved if we say "student" (in contrast to master) or "child" (in contrast to grown-up man), i.e. it contains an evaluation, but not one iota of *moral* judgment. We have every reason to stick to this evaluation, which belongs to the wisdom of Marx well worth being "rescued and further developed and enriched". Just for the sake of further development and enrichment, one could say: What Marx calls the pre-history of humanity is in reality its *history*, while the characteristics of history—exploitation of man by man, struggle of man against man, social hatred of all sorts, wars, persecution and the whole litany of evil—will be absent in a rational society.

If it is thus self-evident that we cannot have the grown-up man without his childhood and cannot create a new pattern of living without the achievements of the past and present, there is nevertheless in the capitalist or bourgeois *economic* pattern not one idea beside the idea (if that is an "idea" at all!) of developing the productive forces and technology. But this "idea", too, is in capitalist practice by no means an unmixed blessing. On the contrary: With general competition as the driving force behind it, it becomes in time indeed the "devil incarnate", regardless of how much good there is in it, if we isolate it and free it from competition and the profit motive. The philosophical point of the highest practical importance is that something which in the beginning is good or necessary turns with its expansion, under certain conditions, into something bad and destructive. This is precisely the situation with every phenomenon under capitalist conditions—we must be extremely critical towards the complete technologisation (mechanisation) of life; we must indeed *hate* an economic system which, if we don't transform it into something "better", will totally poison and finally (atomic energy) destroy the world. It is one of the oldest and most thoughtless psychological illusions that there can be striving toward a better without—at least intellectually—a fight with Satan or an enemy. Psychological considerations are absolutely fruitless when we deal with natural and social phenomena; but if one insists on useless

psychological terms, we must say: It is not the psychological need which creates an enemy, it is the enemy who creates the psychological need and the wrath that rises against him. Sinha errs psychologically in believing "fervour" against an enemy or "wrath" heaped upon an object to be *per se* not conducive to the growth of a "free" personality or a harmonious society of free individuals. What is true in the *private* sphere, where *personal* hatred usually leads from one pettiness to another, to the enslavement of the character by unchecked passions and to the destruction of thinking, is not true in the *social* sphere. Here, where we have to deal with an *objective* enemy threatening us all, fervour and wrath are *liberating* forces and constitute in the last analysis the only freedom the individual *can* gain under the present system—namely, the will to do away with the destructive object and thus to create the possibility for the free development of all as the pre-condition for his own development. Here, the situation is the same as in the struggle against a deadly pestilence. The better the evil is recognised and the more energetically it is fought, the more "free" from it we become both physically and psychologically.



Turning to "the tone, the temper, the traditions and the pattern of the movement towards the new Utopia", Sinha writes:

If the Democratic movement is to reflect in advance the future society we are striving for, then it should have a general idea of the type of the individual and the pattern of inter-personal relationship that should grow and get nourishment and encouragement in the movement. The movement should be so conducted that the individuals become more "individuated" instead of strengthening their authoritarian traditions, habits and inclinations. This is not at all an easy task and is practically breaking new ground. But I consider this as the supreme and crucial task before a movement for democracy of content.

This refers to the following passage in *The Great Utopia*:

The party must incorporate and anticipate the organisation of the future society in all essentials, that is, it must manifest the outline in skeletal form. By which is meant that first, it must immediately begin within itself practically to dissolve bourgeois relations; and secondly, that it must, as the party, *be* the direct (organic) dissolution of these relations. Of course, in so far as it fights politically and organises the political struggle that completely belongs to the bourgeois sphere,<sup>6</sup> it is in this respect still a bourgeois party; *and* it is, at the same time, not a bourgeois party (or a party at all) in so far as in the very act of constituting itself it departs from the bourgeois framework, excludes by its structure any possibility of reification (i.e. of becoming an end in itself) and continuously cancels itself out as a party.

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<sup>6</sup> The future society will be characterized by the absence of *political* struggle.



It is clear: *The Great Utopia* is concerned with the dissolution of bourgeois relations; that is, with the direct elimination of certain realities which, as the positive result of their negation in the movement, anticipates the organisation of the future society in all essentials and constitutes its outlines in skeletal form. A careful study of these outlines (contained in sections 14 to 18 of *The Great Utopia*) will make it perfectly clear that they also determine and in fact are identical with "the pattern of inter-personal relationship", not that *should* but that *solely can* grow and get nourishment and encouragement in the movement. The task was solved before Sinha, misled by psychology, posed it wrongly, i.e. introduced a rather "authoritarian" feature with his "general idea of the type of the individual" to be cultivated in the movement. *The Great Utopia* has so radically dissolved bourgeois relations that the movement based on it can in no way discriminate between individuals and cannot even conceive Sinha's "general idea"—it simply accepts everybody willing to work for its goals. Whatever, then, the traditions, habits and inclinations of the individual may be: the organisation is so constructed that it automatically discourages all that is detrimental to its outlines and gives no chance to those who consciously or unconsciously follow their personal whims and wishes. The movement, of course, still lives in the bourgeois environment, whose influence is so overwhelming that even the most advanced individuals may succumb to it. This alone suffices to explain why any attempt to solve the problem by starting with the individual is truly Utopia (in Sinha's sense)—what we really can try is to create institutions which protect themselves against misuse by individuals. Thus it lies quite in the realm of possibilities that the movement will remain small or even die out because it could not find the human material it needed; but it is impossible for it to exist against the principles on which it was founded.



The next problem posed by Sinha is "how the movement will influence the rest of society at large". In this respect, he says, a two-way approach is possible:

One is to evolve a modern "utopia" for a social organisation of the entire human family which will

- (a) in a planned and systematic manner develop natural resources and utilize them equitably to provide for the growing economic needs of the people;
- (b) administer social relationships among the people in such a way that peace and harmony may prevail among individuals, and in case of disputes arising, justice is done impartially, effectively and quickly, to each and every individual; and
- (c) provide increasing opportunities to the individual for his intellectual and aesthetic development without cramping impositions, so that he becomes every day a fuller and richer individual.

The other is to operate in local regions, howsoever small, and to work out democratic solutions to specific problems in a given setting,

in such a way that the two trends—local and world-wide—may have a cumulative educative effect on the community.

As for (a): Sinha is not aware that he has involved himself in a peculiar problem with his modern "Utopia" for a social organisation of the entire human family. The question is: What will he tell "the rest of society at large" about the character of his Utopia, if (as he does immediately after the above quotation) he insists that it cannot actually be realised, but only approximated to? Will he present his Utopia and honestly tell the rest of society: Well, here is what we propose; but it is only an *imaginary* ideal, never to be realised? It is the only honest attitude to take, and it is, at the same time, the surest means of becoming completely ridiculous. The rest of society will—if not in words, at least in deeds—answer Mr. Sinha: Good gracious, there is no lack of wonderful things always to be approximated to, but never to be reached—it is hard to see why one should follow you and not Messrs. Eisenhower and Khrushchev, who have not only the same "Utopia" in store, but also the power to do something "real".

On the other hand: The main task of the so-called Utopia is by no means to show how natural (and why only "natural"?) resources shall be *developed* in a planned and systematic manner—its foremost task is to show that enough resources *have already been* developed for the satisfaction of all economic needs, but that a totally insane social system prevents their utilisation for the benefit of the people and "utilises" them in such a way that the result always is war, destruction, crises, upheavals, misery, injustice, degradation, exhaustion of resources and, ultimately, ruin of our globe. Of course, conviction stands against conviction; but there is no other choice. If the capitalist system is *not* as ruinous and deadly as depicted here, the "Utopia" becomes superfluous (senseless) and has to be replaced by a programme of reforms such as exist already by the thousands. Conversely: If the system is incurable and has to be replaced by a different one, the Utopia is necessary and the concept of "approximation" has to be abandoned. (To avoid misunderstanding: The latter alternative does not mean that we must cease to struggle against all that is bad, evil, superfluous, etc.—on the contrary, this struggle is necessary to prevent the worst and to keep social consciousness alive—it means only that we can never do away with the evil unless we exterminate its roots.)

As for (b): Whatever it may mean to "administer" *social* relationships—we discuss in a vacuum if we don't know exactly *what kind* of social relationships are to be established in order to obtain the desired result. Social relationships "in such a way that . . ." is a wisdom sold every day by every newspaper, every statesman and every dilettante in public affairs, with the effect that everything remains as it is and that the confusion becomes every day more confounded. We move thus in a circle and have again to decide the

question of the social system. To put it tautologically: Social relationships are *social* relationships and entirely determined by the prevailing mode of production. Thus as long as we produce for profit, capitalist relationships will remain and eventually deteriorate to the point of social annihilation; but if we *change* the system and produce for use, such social relationships *will* automatically be established as are clearly outlined in *The Great Utopia*; namely those organisational features of which we spoke in the preceding section and which anticipate the organisation of the future society in all its outlines in skeletal form. These relationships too, are strictly *social* relationships and in themselves not capable of establishing peace and harmony among *individuals*. Many conflicts between individuals, of course, have their roots in, or receive their specific form from, the present conditions of life; but it is highly improbable that a number of such conflicts will ever disappear. Sinha has first informed us that the "Utopia" can do *no more* than give us a broad and very general outline of principles on which the *social* framework is to be founded; but now he is asking in fact for outlines which descend to such details as peace and harmony between *individuals*. This, too, is a truly "Utopian" aim, and to be dismissed at once as a pseudo-problem. Heretic as it may sound to the ears of psychologists: Millions and millions of private disputes between millions of Marilyn Monroe's and their lovers have not the slightest effect on the social system (in fact, they arise each and every day by the million without even being noticed) and require no "justice" at all. On the other hand: We suffer from wars, crises, unemployment, strikes, destruction, social diseases, insecurity and a series of other evils which are the direct outcome of the capitalist system and affect, in the last analysis, even those who profit from it. The task is to remove these evils and to establish a system which guarantees *social* peace and harmony, thus permitting disputes between individuals to become a genuine human matter.

As for (c): It is tautological to "provide increasing opportunities to the individual for his intellectual and aesthetic development without cramping imposition", if one evolves a modern "Utopia" for a social (!) organisation of the entire human family. The fulfilment of the above task is precisely the removal of all impositions which hamper the development of the individual only because they hamper the development of *society*, and there is nothing more to provide than a social *base* on which each and every individual then actually *can* grow according to his wishes and inclinations. Whether or not the individual then actually *becomes* "every day a fuller and richer individual" is at least in so far an open question as it is the concern of the individual himself and not of the "Utopia".

As for the rest of Sinha's "two-way approach": It is hard to see why the movement should restrict itself to operations in "local regions" alone and why these operations should only have a cumulative *educative* effect on the community. There are such world-

wide problems as, for example, the poisoning of the earth by atomic explosions and atomic energy in general. A democratic solution of this problem, namely a solution in accordance with the demands of the majority of mankind, would also be of the greatest *material* importance, and it would be objectively a crime not to try to drive this problem to a *real* solution. In any case, the so-called two-way approach is itself too narrow. A movement that wants to prevent a social catastrophe has above all to fulfil a critical and polemical task. It is not for nothing that *The Great Utopia* declared:

A political movement which desires to alter conditions that have become unbearable cannot take a single practical step without revolutionising the ruling conceptions that have also become unbearable, without, that is, disclosing the dependence of the intellectual on the material misery.

The task thus described is indeed of such prime importance that one can say with absolute certainty: If the movement ceases to unmask and to overcome the ruling conceptions in every field of intellectual endeavour (including that of psychology), its spiritual life will cease and it will degenerate to the point of complete paralysis.

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Robert Keller

## THE AMERICAN ECONOMY

### *A Study in Contradictory Forces*

In a series of essays on the American political past published in 1948, Richard Hofstadter gives a trenchant description of the moods prevalent in the United States during the late 'forties. "The two world wars, unstable booms, and abysmal depression of our time have profoundly shaken national confidence in the future," observes Hofstadter. "During the boom of the 'twenties it was commonly taken for granted that the happy days could run on into an indefinite future; today there are few who do not assume just as surely the coming of another severe economic slump."

The passage of a decade has not removed a general fear of war and social instability in the United States. If anything, insecurity and lack of "national confidence in the future" have become more pervasive with the "nuclear age", the "missile age" and the "cold war". But a severe economic slump comparable to the Great Depres-

sion of the 'thirties still has not appeared during the long post-war period, and it might be argued that on one score—notably, the condition and future of the American economy—public insecurity has abated a good deal since the 'forties. In fact, a mindless euphoria toward economic problems has been cultivated by almost every agency for shaping public opinion. The American people are repeatedly assured that, in the words of General Eisenhower, "one such fear—the fear of a paralyzing depression—can be safely laid away". Millions of Americans have been persuaded to believe that the post-war years mark the ascent of a "new capitalism" in the United States, a system that holds the promise of indefinite advances in output, consumption and well-being. This view is held not only by a large section of the public, but by the great bulk of American economists. In both cases, the economy is conceived to be an impersonal gadget—a "new", "shiny", "booming" or "zooming" machine with "built-in stabilizers", "a flexible interest rate" and a "fast government pick-up" that invidiously recalls the advertising literature on the perennially "new" American motor car. At worst, we need only tinker with the thing, now and then, and the machine will run better than ever.

For nearly 15 years, this image of the American economy seemed to be supported by the actual course of events. The post-war period witnessed only two brief economic slumps. Both were minor by comparison with past crises, and in each case the economy rapidly left the decline behind for record levels of production, employment and consumption. To be sure, these gains were powered not only by the Second World War but also by the Korean War and enormous military expenditures by the government. Nonetheless the gains were plainly there for all to see, and by the mid-fifties an extravagant spree of consumer spending and capital investment chased away many of the remaining shadows of doubt that American economic growth was unstable or artificial. The very fear of artificiality, in fact, was transformed into a hopeful conviction that the economy was finally under control. Should it come to pass that "built-in stabilizers" like unemployment insurance, farm subsidies, Federal Deposit Insurance, and stock market regulations might one day fail to hold the flood-gates, the government in all its august suprasocial majesty could always be expected to intervene with new military programs or by increasing welfare expenditures and thus lay all problems to rest.

The first signs that the American economy was something more than a motor car steered by a benign state-power began to appear in the third post-war decline: the crisis of 1957-58. This crisis, like earlier ones, was not wholly unexpected. The economic horizon had been darkening for close on a year and warnings of a decline had been posted for months in advance of its occurrence by the more sophisticated business press. The crisis "officially" began in August, 1957, with a decline in sales, followed in the next month by a fall in the Federal Reserve Board's index of industrial production, and in subsequent months by declining inventories and employment, until by

June, 1958, unemployment reached a post-war peak of five and a half million. This certainly took everyone by surprise. The depth of the crisis, however, was by no means its sole claim to distinction. The most important features of the crisis began to appear with a recovery in the late summer of 1958. For the first time since the end of the Second World War, a rapid, albeit partial, upswing in output left behind a large number of unemployed industrial workers, a substantial residue of unused plant capacity, stagnation in investment after a decline in capital outlays of nearly 22 per cent, and a price structure that not only failed to bend before the crisis, but even advanced during some of its worst phases.

Although recovery has been carried still further during 1959, the components of the economy have advanced very unevenly. Output, consumption and even employment have surged up to, and in some cases surpassed, pre-crisis levels. While overall unemployment figures have been reduced, chronic unemployment has not disappeared from some of the most important industrial regions of the United States; investment, particularly in new plants, has been weak and faltering; and automation threatens to make serious inroads into jobs. A good deal of the time that the economists ordinarily allot to an upsurge before the next crisis, seems to have passed away without removing lingering features of the earlier crisis. Should these features disappear in coming months, there is good reason to doubt that they will be absent for any great length of time.

The point is that the third post-war crisis is certainly not just a passing downturn marring a general economic advance, as most economists would have the public believe. The crisis has confronted the United States with long-range contradictory forces and tendencies of a downward nature. It matters little whether these tendencies assume a sharp form now or some years later. The 1957-58 crisis has shown that they are at work in the American economy and has brought them from beneath the surface of post-war economic appearances to a foremost place in the realities of the times. In short, the crisis is a portent of general stagnation, if not an overall decline, in the coming years. To evaluate this new trend requires that the forces converging toward stagnation and decline be placed in sharp relief against the superficiality and euphoria evident in post-war economic literature.

### **Productivity and Unemployment—A Survey**

Between the Civil War and the First World War, the United States enjoyed about 12 "booms", varying from mild upswings to frenzied speculation—and as many "recessions", depressions and crises. Apart from the special attributes of each cycle, a classical feature of the periodic crises which directly followed the Civil War was the extent of the recovery after every decline. A "bust" prepared the way for a successively higher "boom". In the six year period that followed the mild decline of 1866-67, railroad mileage doubled, steel output



advanced to mass production proportions, mining and oil drilling became major economic operations, and the development of new agricultural implements created an important domestic industry, bringing the American farmer steadily into the new capitalist network. According to the Persons' manufacturing index, production increased about 60 per cent in the four year "boom" of 1868-1872. During the next major upswing from 1879 to 1892, an advance interrupted by two declines, American manufacturing production increased well over 100 per cent. These two major upswings alone virtually changed the economic character of the United States. Where before the United States had still been a predominantly agricultural country whose industrial output was far overshadowed in all fields by the continental nations abroad, by 1890 the United States led Europe in heavy industry, producing more pig iron, for instance, than England or Germany and France combined.

The main impetus to the rapid expansion of the American economy came from the contact of the mercantile and industrial Eastern United States with a growing non-capitalist market of independent yeomen in the West. The passage of the Homestead Act in 1862 brought millions of independent emigrants to the frontier, creating a vast need for industrial products from the East. The farmer essentially stood outside the capitalist relationships of the cities, at first buying industrial commodities with farm surpluses over and above those grown for his own needs, later turning to cash crops grown almost entirely for exchange. As the surplus labor of the rural West paid more and more of the surplus labor of the industrial East, industry began to expand at extraordinary rates.

As long as the capitalist economy in the United States could expand under the external stimulus of a non-capitalist market, there seemed no limit to its rate of growth. Whenever it became difficult to realize the exchange of commodities in the East, the proliferation of small homesteads, farms and villages by settlers in the West supplied a new stimulus to the advance of industry. To the degree that this new market became bourgeois, however, that is to say, to the degree that the independent farmer turned to cash crops or agriculture became proletarianized and thus shared its destiny with the capitalist mode of production, this stimulus steadily diminished. The internal laws of capitalist development now began to take over the entire movement of the American economy.

These laws of capitalist development are internally contradictory: the very conditions that promote the expansion of capitalist industry and output drive large numbers of proletarians out of industry and thereby inhibit the expansion of the market. Increasing productivity yields unemployment and relative over-production. This self-limiting character of capitalist development was first brought to light by Marx and Engels. Both men made it the cornerstone of their common view that capitalism must eventually pass into what Engels called a "permanent and chronic crisis". As early as 1886, Engels observed,

perhaps prematurely but nevertheless quite accurately for a later period: "While the productive power increases in a geometric, the extension of markets proceeds at best in an arithmetic ratio. The decennial cycle of stagnation, prosperity, over-production and crisis, ever recurrent from 1825 to 1867, seems indeed to have run its course; but only to land us in the slough of a despond of a permanent and chronic depression".<sup>1</sup>

Marx treats of essentially the same tendency, but from the standpoint of growing productivity and its effect upon the working class. "The law by which a constantly increasing quantity of means of production, thanks to the advance in the productiveness of social labour, may be set in movement by a progressively diminishing expenditure of human power, this law, in a capitalist society—where the labourer does not employ the means of production, but the means of production employ the labourer—undergoes a complete inversion and is expressed thus: the higher the productiveness of labour, the greater is the pressure of the labourers on the means of employment, the more precarious, therefore, becomes their conditions of existence, viz., the sale of their own labour-power for the increasing of another's wealth, or for the self-expansion of capital. The fact that the means of production and the productiveness of labour, increase more rapidly than the productive population, expresses, itself, therefore, capitalistically in the inverse form that the labouring population always increases more rapidly than the conditions under which capital can employ this increase for its own self-expression".<sup>2</sup>

For Marx this law is the "absolute general law of capitalist accumulation"—the law which is the general conclusion of the attempt to concretize capitalist development analysed in volume I of *Capital*. Productivity, continually increased by competition and the process of capital accumulation, tends to reduce more and more of the population to an "industrial reserve army"—to an unemployed strata—for which there is no longer any room in the economy. As this process becomes a dominant feature of the economy, it yields the increasing misery of the working class as a whole. The law, to be sure, does not operate without modifications. "Like all other laws it is modified in its workings by many circumstances"—circumstances, and indeed a context, which Marx obviously could not foresee nearly a century ago. Nonetheless the compulsion in capitalist accumulation to increase the output of commodities with less and less labor, thereby tending to create a growing stratum of chronically unemployed workers and contracting the market relative to production, is one of the touchstones of economic analysis.

To what extent are the circumstances which modified the working of this law inherent features of the American economy, presumably making for a "new" or "progressive capitalism", and to what extent

1 Karl Marx, *Capital*, Kerr edition, Volume I, page 31.

2 Karl Marx, *Ibid.*, page 708.



are these circumstances uniquely conjunctural events of a limited and external nature? How have they operated thus far and what is their weight in arresting the broad trends described by Marx? The answers to these questions are clearly of vital importance in judging the future of the American economy.

Until the mid-1920's, the forces modifying the general law of accumulation came from within the economy itself and generally dominated the tendency for productivity to outrun the increases in the working population. During the latter half of the 19th century, the American population increased well over 100 per cent. As to productivity, "available data on output per man-hour before the 20th century are far too fragmentary," observes Kroos, "but some estimates suggest that manufacturing productivity increased about 60 per cent in the last half of the 19th century".<sup>3</sup> When the pace of economic growth began to slow down with the passing of the frontier and with the exhaustion of many traditional industries on which the economy had originally advanced, new industries were still gathering the strength for further expansion. The United States really began to become electrified with the turn of the century. "Capital outlays on telephones increased rapidly after 1900 and doubled in each of the two succeeding decades", observes Hansen, "rising to \$2.5 billions in the 'twenties. Electric power investment first assumed large proportions in the decade 1900-1909 (\$1.7 billions), increased 50 per cent in the following decade, and leaped forward with a capital expenditure of \$8.1 billions in the 'twenties." The greatest and most important advance came from the automobile industry. "Automobile production, from only 4,000 units in 1900, rose to 187,000 units in 1910, 1,000,000 in 1915, 2,200,000 in 1920, 4,400,000 in 1925, and 5,600,000 in 1929. Garages, repair shops, and service stations multiplied throughout the country. Thus, the automobile industry not only fostered gigantic production plants largely concentrated in a single industrial area, but also opened opportunities for thousands of small business units located in all sections of the country roughly in proportion to the consuming population. Major subsidiary industries were created or expanded on the tide of the vast purchasing power of the automobile industry, including such giants as Petroleum, Rubber, Glass Plate, and Steel."<sup>4</sup> Employment in auto rose steadily. In 1904 it stood at only 12,000 workers; ten years later it rose to 127,000; and by 1923, nearly ten years later again, the number of workers directly employed in assembling cars and producing automotive bodies and parts reached over 404,000. Between 1914 and 1923, in short, employment increased about 320 per cent, a phenomenal rate of growth for any

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<sup>3</sup> Herman E. Kroos, *American Economic Development*, 1956, Prentice-Hall, New York, page 177.

<sup>4</sup> Alvin H. Hansen, *Fiscal Policy and Business Cycles*, W. W. Norton and Co., New York, 1941, pages 40-41.

industry in a period so late in the development of the American economy.

Productivity also rose very sharply in the pre-World War I decade. According to Frederick C. Mills's very detailed study of the period between 1899 and 1914, output per manufacturing establishment increased at the annual rate of 2.8 per cent, output per man-hour at 1.7 per cent, and the number of workers per establishment at 1.1 per cent. The change this seems to mark in American economic development is not lost upon Mills. "The stream of manufactured goods produced in 1914, a stream greater by 76 per cent in volume than that of 1899, was turned out by a working force (of wage-earners) only 36 per cent greater, and by a number of establishments only 13 per cent greater. There are clear signs here of the growing emphasis upon technical efficiency and enhanced productivity per unit as factors of increased production, an emphasis which has been even more pronounced in recent years".<sup>5</sup>

Despite these sharp rises, however, the effect of economic expansion between 1899 and 1914 far outweighed the displacement of industrial labor. Although "21 men out of every 1,000 employed were separated from given manufacturing industries" between 1899 and 1914, the number of accessions "averaged 149 to each 1,000 persons employed. That is, the number of employed was expanding, and the number of men forced out of given manufacturing industries was distinctly smaller than the number of new men taken on by other manufacturing industries".

But the post-World War period was "markedly different". Between 1923 and 1929, an average of "49 men out of every 1,000 employed were separated from given manufacturing industries. Additions to the number employed averaged 45 to every 1,000 on the payrolls of manufacturing plants. Separations measure the burden placed upon wage-earners by industrial change. That it was a heavy burden during the prosperous period from 1923 to 1929 is indicated by these figures. Not only was the rate of separation much higher than it had been over longer pre-war periods; it was higher than the accession rate, which may be taken as an index of employment opportunities in manufacturing industries. Between 1923 and 1929 men were being turned out of manufacturing industries in greater numbers than in pre-war years, while the numbers of new men taken on were relatively much smaller. High productivity and rapidly expanding production brought instability of employment and uncertainty of income to many, during this period of business prosperity".<sup>6</sup>

While the output of certain branches of production soared during the 'twenties, both absolutely and in terms of productivity, the mass market fell far behind. "To permit an increase in all production

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<sup>5</sup> Frederick C. Mills, *Economic Tendencies in the United States*, The National Bureau of Economic Research, New York, 1932.

<sup>6</sup> Mills, *ibid.*, pages 531-532.

by 3.8 per cent per annum in 1922-29," observes Broadus Mitchell in a summary of data based on Mills's work, "investment in new equipment had grown by 6.4 per cent a year, net income of all corporations by 7.3 per cent, their dividend payments by 12.8 per cent, and the profits of financial institutions by 16.2 per cent a year. But the average earnings of employees in manufacturing establishments in the period increased only 1.6 per cent. In contrast, dividend payments of all corporations in that period had increased from \$3,437,000,000 to \$8,356,000,000".<sup>7</sup>

The greatest increases occurred in durable goods industries at a rate of 5.9 per cent as compared with 2.9 per cent for non-durable goods industries. The bulk of durable goods that was not purchased as industrial capital went to the more well-to-do strata of American society, that is, to minority classes in the population. In turn, many traditional industries on which capitalism had developed during the last century stagnated and even declined. Between 1923 and 1929, the output of lumber and timber products fell at an annual rate of .1 per cent, flour and grain products at .8 per cent, various fabrics at anywhere from 1.0 per cent (jute and linen goods) to 3.1 per cent (woolens), and the production of railroad cars fell at an annual rate of 14.7 per cent. Agriculture began to stagnate directly after the war and remained depressed throughout the 'twenties. The failure of these traditional industries to advance during the "prosperity years" before 1929 marked an ominous departure from all boom periods in the past. Relative over-production had developed in some of the most strategic areas of the American economy to a degree that no periodic crisis could remedy and no "readjustment" overcome.

The "prosperity decade" of the 'twenties depended, at least industrially, on construction, automobile production, electrical goods, and steel. 1925 marks the last year when these industries advanced conjointly. Thereafter, evidence of stagnation began to appear in all key industries with the exception of steel. Construction declined steadily, falling from 849,000 units in 1926 to 810,000 in 1927, 753,000 in 1928 and 509,000 in 1929. The post-war construction boom had come to an end. Auto production too (as distinguished from truck production) began to stagnate after 1925. Despite strong advances from 1.9 million passenger cars in 1920 to 3.6 million only three years later, the output of the industry failed to reach the four million mark until 1929.

Many other disturbing features began to appear. In 1927, unemployment passed the 1.5 million mark, never to fall from this plateau for the rest of the decade, as compared with less than half a million in 1926. These statistics, incidentally, are extremely conservative. The consumers' price index fell slightly, but much too slowly in view of rising output and productivity. Stock prices soared toward

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<sup>7</sup> Broadus Mitchell, *The Depression Decade*, Rinehart & Co., 1947, New York, page 112.

the end of the 'twenties. Finally, the "decade 1919-1929 witnessed one of the greatest advances in industrial productivity in American manufacturing industries. Output per worker employed increased no less than 41 per cent. The significance of this figure may be brought home more vividly if we realize that it means that in 1929, 71 men, working with the improved equipment then available, could produce the volume of goods for which 100 men were required in 1919".<sup>8</sup> A good deal of this rise is accounted for by the automobile industry. If 1914 is taken as 100, productivity in the auto industry increased by 1923 to 270, or 170 per cent. On this score Kroos observes that "the increase was obtained at the expense of great wear and tear on the laborer. Turnover was greater than in other industries. During the 'twenties, the Ford plant had to hire 53,000 workers to maintain a constant corps of 14,000".<sup>9</sup> Be that as it may, high productivity, over-capacity and technological unemployment in the "new" industries of the boom were carrying the remaining areas of the American economy into the mire that had trapped the more traditional industries.

So dominant had this compulsion now become that the Great Depression heightened rather than abated it. Although the 'thirties drained the economy more and longer than any period of "readjustment" in American history, productivity continued to advance steadily while accumulation declined. Between 1929 and 1937, the peak years of both decades, producers' durable equipment and total plant facilities fell from \$19.7 billions to \$16.1 billions. During this period, however, productivity in manufacturing industries rose from an index figure of 78.1 to 90.0 (1939=100), an increase of over 15 per cent as compared with a decrease of 19 per cent in invested capital. The perspective for ever getting out of a chronic economic crisis toward the end of the 1930's seemed nearly hopeless, especially after the sharp decline of 1938. As Mills observed earlier, "how to adapt productive practices and distributive procedures to this steady improvement constitutes one of the major problems today (1934). The growing margin of unemployment which characterized the first post-war decade was in some degree a resultant of rapidly increasing industrial productivity. Recent advances intensify this problem". The inner economic development of the United States had shifted from growth to retrogression, from an accumulation process that expanded employment to one that steadily diminished it.

While the Second World War and post-war booms have restored the United States to a high rate of growth, they have done nothing so basic as to make accumulation work in the long run for instead of against higher employment. This can be seen by a review of the impact the war and post-war periods have had on the economy.

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<sup>8</sup> Frederick C. Mills, *Bulletin 53 of the National Bureau of Economic Research*, December, 1934, page 8.

<sup>9</sup> Kroos, *op. cit.*, page 356.

The Second World War continued the drain initiated by the Great Depression. New construction, after a very slow rise beginning in 1934 and interrupted by a decline in 1938, fell more precipitously in 1942 than at any time in the early 'thirties. The same fall is true for gross private investment in producers' durable goods. Inventories declined steadily. The fall in personal consumption expenditures for consumers' durable goods in 1942 was equal to the decline in 1930, the greatest annual decline during the depression decade. The drop, while greatly diminished, continued into 1943, and expenditures barely inched upward in 1944. While personal consumption expenditures for non-durable goods and services rose sharply from 1942 onward, the effect of the war on the construction of home dwellings, transportation, appliances and other consumers' necessities was as severe as, if not worse than, anything seen in the bleakest days of the 'thirties. Government expenditures were felt primarily in heavy industries producing military equipment, in savings, profits, and moderately high wages that were widely spread throughout the civilian population owing to wartime conscription. On the one hand, the country was starved for home dwellings, consumers' durable goods, and investment in consumers' industries; on the other hand, the war created a very large reservoir of mass purchasing power that found only a partial outlet in non-durable goods, virtually clearing away the inventories built up from the pre-war years.

The first post-war boom thus appears as a reflex to the erosion produced by the depression and war. In 1946, the mere need to continue business operations led to a record level of inventory accumulation. Expenditures for consumers' durable goods increased 96 per cent over 1945; new construction rose 170 per cent, and investment in producers' durables 39 per cent. A large number of the jobs that had vanished with war production were replaced by the sudden expansion of consumer and peacetime capital goods' industries. The abnormally large labor force created by the industrial needs of the war contracted, and a large part of the wage losses due to the elimination of emergency overtime work was made up by increased hourly rates. Finally, the government met the demobilization of millions of troops with a fairly ample system of unemployment insurance, educational privileges and pensions—the most extensive veterans' welfare program in American history.

What is remarkable is not that the 1946-48 boom carried the economy to such high rates of growth, but rather that it was so short-lived. By 1948, only two years after the onset of the boom, large inventories began to accumulate and retail sales began to stagnate, leading the American economy into the crisis of 1949. Although a great deal of emphasis has been placed on the fact that the economy began to recover in the spring of 1950, months in advance of the Korean War, there is good reason to question how this recovery would have developed in the absence of the war. In July, 1949, at the depth of the crisis, unemployment stood at 4.1 million. Despite a

strong recovery in December, 1949, which moved almost steadily to record levels of output, unemployment remained high. The number of unemployed workers, in fact, reached its height in February, 1950 (4.7 million), declined to three million, and then significantly turned upward again to 3.4 million despite very large increases in output during the late spring and early summer. This movement is much too important to be overlooked. What is more, productivity took a sharp upward turn in 1950. Output per man-hour in non-agricultural industries rose 6.6 per cent in a single year. This is by far the largest annual leap in productivity during the post-war period, and probably competes for the record with the highest annual increases of productivity over the past 40 years.

That the Korean War, lasting three years, should have refuelled the American economy and fixed it on a high plateau of Federal expenditures is doubtless the least effect the war could be expected to have. But it did little more than refuel it, changing nothing in its basic characteristics nor altering its underlying tendencies. The effects of the war were largely one-sided. Net corporate profits advanced well beyond the profits received during the Second World War. During the four years 1942-45 inclusive, American corporations acquired \$38.7 billions after taxes; during the four years 1950-53, net corporate profits came to a total of \$73.6 billions, or about 90 per cent above Second World War income. In constant dollars this more than passed the record earnings of the earlier world conflict. On the other hand, national income acquired as wages and salaries fared poorly by comparison. For comparable periods, \$422.3 billions was received by wage and salary earners during World War II as against \$699.6 billions during the Korean War—an increase of about 65 per cent. This increase was easily effaced by the rising cost of living—and then pushed back some. In general, living standards improved, but by no means decisively, and in many cases slightly or not at all.

The truth is that neither the Second World War nor the Korean War altered the institutional structure of American income as basically as the apologists would have us believe. While there was an appreciable increase in the number of spending units\* earning \$5,000 and over between 1947 and 1955, those earning between \$2,000 and \$4,999 declined from half to 40 per cent of the population. Spending units receiving less than \$2,000 per year declined from 29 to 24 per cent. Thus in the boom year 1955, 64 per cent of all spending units in the United States received less than \$5,000 a year. The apparent gains are even less impressive as the breakdown in income categories and population is refined. As late as 1956, for example, about 36 per cent of all spending units earned less than \$4,000 a year. At the higher extreme, as little as 14 per cent earned \$7,500 and over. Of this category, only 6 per cent earned \$10,000 and over. These

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\* For the purposes of statistical analysis, this is the unit used in America and is equivalent to an average of 2.9 persons.



figures are in current, highly inflated dollars as compared with the 1955 data cited above, which are in constant dollars. If the population is divided into tenths, the percentages of national income going to each tenth has shifted very little. For the lowest three-tenths, there has even been a decline in the percentages received over the past 40 years. What the Second World War did was to increase the savings of nearly all tenths of the population, partly by an absolute increase in income (apart from any percentages), but primarily by a forced absence of durable consumers' goods. The later post-war years and the Korean War period had a less extensive effect. These periods even served to drain the lowest segments of a good deal of liquid assets acquired during World War II without appreciably increasing their income.

The decline in government spending following the Korean War period immediately created another crisis. The correlation between government outlays and industrial output at this point is so strong as to be astonishing. What clearly exploded the American economy out of the 1954 crisis into the 1955 boom was the enormous expansion of automobile credit. From a 1953-54 high of \$9.8 billions in outstanding automobile paper, car credit surged to \$13.4 billions in 1955, an increase of nearly 40 per cent in a single year. Yet once again, by the end of the year, this rate of automobile instalment credit ebbed almost as rapidly as it had started. In 1956 and 1957, outstanding auto paper advanced, both proportionately and absolutely, at a slower pace than at any time since 1948, if an exception is made for the dip caused by the 1954 crisis. An equally sharp investment boom, presumably in response to the 1955 boom in durable goods sales, but also to replace older equipment by labor-saving devices, kept the American economy from passing into a certain crisis during 1956. By raising productivity, however, the 1956 investment boom not only failed to avoid another crisis, but even deepened it, adding very serious qualitative features to its onset. Thus a year later, the American economy after only two years of upswing, passed into the worst and most significant crisis since the end of the Second World War.

To put this survey in perspective: Until the 'twenties, the American economy advanced on the strength of positive factors created by the pre-war epoch of a broad capitalist upswing—notably, new industries whose expansion compensated for the exhaustion of older ones, and a general accumulation process that created more jobs than it reduced by growing productivity. Within a decade, all factors making for economic growth were exhausted. By 1925, the auto and electrical industries had advanced as far as the post-war institutional standard of living permitted. With growing productivity moving against a lagging market, the economy plunged into a decade of chronic crisis.

The boom of 1946-48 advanced primarily on the strength of war-time savings. These savings were induced not merely by increased income, but above all by shortages caused by a long war. The

expenditures which created the boom covered a wide spectrum of economic output, ranging from consumers' to producers' durables, from residential to plant construction. By 1949, the effect of these varied expenditures as prime movers of economic expansion was exhausted. It is noteworthy that, with the exception of construction, never again in the ten years that followed were expenditures of this kind able to vitalize the economy for any great length of time without artificial supports like high government outlays or precariously loose credit.

The Korean War boom advanced primarily on high Federal expenditures. As we shall see elsewhere, there are good reasons for believing that this source too has been exhausted as a means of long-range growth. Finally, the last boom—the boom of 1955-56—rode essentially on instalment credit and capital accumulation. By comparison with earlier sources of economic upswing, these factors proved to be the least stable of all. If anything, the investment boom of 1956 has finally brought to the surface all the problems of an accumulation process that led the American economy into the Great Depression of the 'thirties.

Today, these problems can be described with brutal concreteness. On the one side, an estimated 700 to 850,000 new workers enter the American economy annually. This figure is net. It takes into account the normal outflow due to age, retirement and death. On the other side, productivity per man-hour worked in non-agricultural industries has been increasing during 1947-56 at an annual rate of 3.3 per cent, and in agriculture at 6 per cent. In terms of 1958 output, an increase in productivity of 3 per cent in 1959 would mean the loss of 500,000 jobs in manufacturing industries alone. If this rate of productivity were extended to the economy as a whole, 2,000,000 jobs would completely disappear.

The upsurge of post-war productivity naturally invites some sort of comparison with the "prosperity decade" of the 'twenties; and despite the comfortable view that the two periods are dissimilar in many ways, they have in common an accumulation process and a degree of over-capacity that may well override their differences. Gabriel Kolko, whose economic vignettes in the liberal weeklies are often more pointed than most professional "studies" of the economy, warns that the employment of production workers in 1948-58 has been falling at a faster rate than in 1919-29. During 1919-29, manufacturing output increased 40 per cent and employment dropped 2 per cent. From 1948-58, however, output increased 35 per cent—but employment of production workers declined 6 per cent. This problem has been in the making for a much longer time than is ordinarily supposed. Official data show a steady rise in chronic unemployment as a percentage of the labor force over the past decade. In the upswing of 1952-53, about 3 per cent of the labor force was unemployed; by 1955-57, 4 per cent of the labor force was unemployed. The upswing of 1958-59 is expected to raise this rate

to 5 per cent at the very least, and the number of chronically unemployed may fluctuate around 4,000,000. This, of course, assumes that economic conditions will get no worse than they are.

But are they likely to remain as they are? In the absence of State intervention, the prospect that the economy will surge much beyond the last post-war peaks is very doubtful. Many key industries that underlay earlier post-war booms are believed to have advanced as far as they can go. Their peaks were reached years ago and have not been surpassed since. The "recessionary trends of today are only the latest results of a much longer-term and more profound drift", notes a study by the Conference on Economic Progress. "Our economy needs to grow about  $4\frac{1}{2}$  per cent a year in real terms to use our growing resources fully. This rate of growth was actually exceeded on the average during the six-year period after World War II. But during 1953-57, the average annual growth rate in real terms slowed down to 2.7 per cent. In 1957, we advanced only 2.1 per cent."<sup>10</sup>

In heavy industry, recent increases in productivity have removed all hope that large numbers of unemployed created by the 1957-58 crisis will be rehired. The auto industry supports this pessimistic conclusion with very dramatic illustrations. As early as the spring of 1957, for example, the Chrysler Corporation could produce the same number of cars with 110,000 workers that it made in 1955 with 130,000 workers. Over 18 per cent of the corporation's labor force had become redundant in two short years. A *Time* magazine survey of re-employment in the late summer of 1958 shows how much the crisis added to the number of unemployed resulting from the earlier rises in productivity. "Ford says that it will roll into full production with 106,000 workers, down from last year's 140,000. While General Motors was mum on its payroll, the United Auto Workers estimated that G.M. will swing into full production of the 59's with 300,000 to 325,000 hourly rated workers *v.* an average of 392,000 in the last three years. Chrysler will begin with 59,000 *v.* last year's 100,000."

For the economy as a whole, output increased sharply late in 1958, but employment lagged far behind. A *New York Times* survey of 16 big industrial cities showed that "some of the country's major mass production centers are haunted by the prospect of permanent pools of jobless workers as a carry-over from the recession". In December, "only 30 per cent of the decline in non-farm employment had been recovered since the low point last April. This was so even though the gross national product—the sum of all goods and services—was virtually back to its pre-recession high . . . The number of people with jobs . . . was 3,200,000 short of the pre-recession high a year and a half earlier". (25th January, 1959.)

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<sup>10</sup> *Wages and the Public Interest*, Conference on Economic Progress, Washington, 1958, page 3.

The most widely touted solution to current unemployment is to route the workers exiled from industry into non-industrial, white-collar jobs. A good deal has been written about the enormous gains which are purported to have been made in non-factory employment. It may be well to note, however briefly, that these gains are as one-sided and unsatisfactory as other facets of recent economic advances. The growth in finance, insurance and real estate jobs is largely a reaction to the instalment and construction upswing of recent years. These jobs are as precarious as the credit by which they were created. The growth of more stable jobs in wholesale and retail trade deserves closer examination. While the absolute increase of trade employment has been large since the end of the Second World War, the rate of growth has tapered off from boom to boom. In the three year upswing of 1946-48, jobs in the wholesale and retail trades increased by 10.5 per cent. The next upswing, 1951-53, cut this rate in half—5.1 per cent. The last upswing, 1955-57, saw another drop to 4.2 per cent. Within the past two years, automation has begun to spill over from factories into offices, retail establishments and even government jobs. The promise of any substantial growth in non-factory employment is steadily receding before the threat to replace clerical and commercial labor, by automatic devices.

For years, Keynesian economists have taught American schoolboys that, during rising economic conditions, consumption tends to increase less than income, i.e., people do not spend their entire income for consumption (their "propensity to consume" declines) as the economy begins to approximate full employment. To avert a crisis, say the Keynesians, there must be an increased rate of real investment. In short, the "propensity to invest" must advance to a point where it closes the gap created by a declining "propensity to consume".

Doubtless any gap that arises in the economy must be filled if an advance is to continue; and a decline in *any* area of the economy will produce a gap. Such a gap occurred between 1927 and 1929, for example, when Gross Private Investment (a component of the GNP that is made up of new construction and producers' durable equipment expenditures) declined steadily. It is noteworthy, however, that the rate of *industrial* investment in new plant and equipment rose from 9.4 per cent in 1928 to 18.3 per cent in 1929, reflecting an exceptionally high "propensity to invest". This is precisely what we would not expect from a Keynesian analysis of the onset of the Great Depression—and the writer has never seen this fact volunteered in Keynesian discussions. On the other hand, the most significant factor making for a fall in Gross Private Investment during the late 'twenties was a sharp decline in residential construction, reflecting rising unemployment and a declining rate in the increase of mass income. This is precisely what we would expect from the kind of treatment Marx might give of the onset of a chronic crisis, as distinguished from his treatment of periodic crises. Moreover, it seems to be begging the question to argue, as Hansen does in his *Fiscal*

*Policy and Business Cycles*, that the Great Depression was mainly due to a low rate of investment during the 'thirties. We might just as well argue that a corpse would be alive if only its heart would condescend to beat again. Everything was low during the 'thirties—consumption, income, employment, production, investment and profits, at least the profits of small enterprises. What Hansen painfully fails to answer is why everything was so low for so long.

Part of the truth seems to lie in the dialectic of the accumulation process itself. The self-expansion of capital slowly creates the conditions for its contraction by diminishing the amount of labor required for production. At a certain point, this diminution becomes the prevailing effect of accumulation. Far from merely filling a gap between consumption and income, the tendency of investment since the First World War has been to create gaps between the industrial labor force and employment—finally, between the output of commodities and the standard of living. The movement toward greater unemployment has been interrupted rather than eliminated by wars, spurts of industrial expansion created by and following the wars, huge government outlays of funds, and wide swings of consumer credit. Yet with each step taken to avert unemployment, the situation grows tighter and tighter.

### Monopoly and Price

A half-century ago, economists could still argue with some point that increasing productivity, far from ending in technological unemployment, multiplied jobs by lowering prices and thereby enlarging the market. This was clearly the case before the turn of the century. According to a historical index prepared by the Federal Reserve Board, the cost of living between 1866 and 1895 declined 30 per cent. The decline was continuous except for a brief rise between 1880 and 1882, a period of very high "boom" conditions. Wholesale prices between 1864 and 1896 fell 65 per cent (Warren-Pearson index). Moreover, between 1869 and 1898, the growth in real income every five years averaged about 14 per cent, while non-agricultural daily wages increased 28 per cent (1864-1890).

There is no doubt that increased productivity was of underlying importance to these exceptional advances in the standard of living, income and national wealth. By 1890, five men could produce goods that required eight men in 1850. The costs of producing farm products, textile products, metals, building materials and household furnishings fell tremendously. Yet employment increased. Manufacturing employment more than doubled between 1870 and 1890, advancing from 2.1 million to 4.6 million in two decades. Apart from other factors that account for the expansion of the American economy, productivity served to broaden the market and with it, job opportunities in industry.

Near the turn of the century, however, living costs suddenly began to rise. Although productivity continued to move steadily upward,

living costs climbed 37 per cent from 1898 to 1912. The wages of unskilled manufacturing workers, who comprised the largest group of proletarians in the new and rising mass-manufacturing industries, increased only 21 per cent. The apparent cause of this decline in the standard of living of those who could afford it least can be found in high prices. From 1898 to 1912, wholesale prices increased with relatively minor fluctuations as much as 42 per cent and retail food prices, to judge from the only available surveys prepared by the Bureau of Labor Statistics that cover this period, rose over 45 per cent. The year 1900 may thus be taken to be a good deal more than a chronological turning point. Something had changed in the American economy that decisively altered the character and rate of its growth. This change consisted in the centralizing of basic industries into "trusts" and near-monopolies.

Monopoly arises from competition itself. The struggle for survival between atomized, competing capitalists tends to yield fewer and more centralized enterprises. As early as the 1860's, Marx observed that the original "splitting-up of the total capitals into many individual capitals" at the inception of bourgeois society "is counteracted by their attraction . . . The laws of this centralization of capitals, or of the attraction of capital by capital, cannot be developed here. A brief hint at a few facts must suffice. The battle of competition is fought by cheapening of commodities. The cheapness of commodities depends, *ceteris paribus*, on the productiveness of labor, and this again on the scale of production. Therefore, the larger capitals beat the smaller. It will further be remembered that, with the development of the capitalist mode of production, there is an increase in the minimum amount of individual capital necessary to carry on a business under its normal conditions. The smaller capitals, therefore, crowd into spheres of production which Modern Industry has only sporadically or incompletely got hold of. Here competition rages in direct proportion to the number, and in inverse proportion to the magnitudes, of the antagonistic capitals. It always ends in the ruin of many small capitalists, whose capitals partly pass into the hands of their conquerors, partly vanish". The "limits" (as Marx calls them) to this centralization of capital would be reached when "the entire social capital would be united, either in the hands of a single capitalist, or in those of one corporation".<sup>11</sup> Where this remarkable line of thought, written about a century ago, would have led had Marx continued it is impossible to predict. Unfortunately, he leaves these "hints", and enters into a discussion of the effects of accumulation on the working class.

What needs only to be added to complete Marx's train of thought is that after the centralization of capital reaches a point where a large measure of control over industry is possible, competition by means of cheapening the price of commodities steadily gives way to

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<sup>11</sup> Marx, *op. cit.*, pages 686-688.



administered prices. Owing to the enormous size of one or two corporations and the high percentage of output they control in any given branch of industry, the earlier interplay of supply and demand in the "free market" is supplanted by fixed prices maintained by a grip on supply. This is precisely what began to happen toward the late 1890's in many areas of the American economy.

To be sure, it is true that the "combination movement" in the United States was initiated much earlier, beginning in the 1870's, when many local railroads were consolidated and "pools" to control prices arose in coal, steel, meat and even gunpowder. On the whole, however, these early combinations were ineffective. In many cases, they even had the opposite effect of price control. Centralization of railroads, for example, led not to greater control but to even sharper competition between the larger systems. The steady coalescence of steel mills into fewer hands erupted in ruinous price-cutting. Finally the very price increases achieved for a time by the more loosely organized trade pools "stimulated independent competition or competition from substitute products to such an extent that the price structure was soon broken to a point less profitable than that preceding the pool's formation".<sup>12</sup>

The "solution", if such it can be called, lay in the integration of broad economic sectors by one leading enterprise. Apart from the old Standard Oil trust of the late 'seventies, this type of centralization did not occur until the 1890's. The Diamond Match Co. was consolidated in 1889, the American Tobacco Co. in 1890, the American Sugar Refining Co. in 1891, the International Paper Co. in 1898, and so on in many areas of light industry. Heavy industry followed immediately afterwards with the formation of United States Steel in 1901, International Harvester in 1902 and E. I. Dupont de Nemours Co. in 1903. The structural changes which this centralization of capital introduced in the American economy were already very profound well in advance of the First World War. From the outset of its formation, U.S. Steel controlled 65 per cent of the nation's steel capacity; Standard Oil, at the time of its dissolution, refined and marketed 90 per cent of the petroleum produced in the United States; and W. Duke's "Tobacco Trust" (American Tobacco Co.) in 1910 controlled 81 per cent of all American-produced cigarettes. By 1909, the 200 largest non-financial organizations owned one-third of the assets (exclusive of intercorporate securities) of all non-financial corporations in the United States.

During the 'twenties, a new surge of combinations virtually eclipsed the great mergers of 1898-1904. By 1929 the 200 largest non-financial organizations increased their ownership to half of the assets of all non-financial corporations, and plants with over 500 workers employed nearly 40 per cent of all industrial workers in the United States.

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<sup>12</sup> Fainsod and Gordon, *Government and the American Economy*, W. W. Norton & Co., 1941, page 435.

Concentration swept into the once highly-atomized auto industry, reducing the number of active producers from 88 in 1921 to less than 40 only six or seven years later. Scandalous mergers and the formation of sweeping holding companies in utilities rocked the entire economy and were to contribute heavily to the instability of the securities market in the late 'twenties. Trade associations formed in almost every field of production and commerce. "The [trade association] movement was strongly encouraged by the Department of Commerce during the early 'twenties," observe Fainsod and Gordon, "and later by the F.T.C. as well". (page 528).

These vast corporate aggregates not only restricted mass purchasing power by raising prices, often arbitrarily; they also tried to stabilize higher prices by restricting production. Although productivity took astonishing leaps forward all through the 'twenties, the consumer price index rose steadily again after a brief depression dip in 1922, increasing over 5.5 per cent by 1926. Again, precisely because of this rising productivity and a growing over-capacity relative to purchasing power during the late 'twenties, the price index fell only 3 per cent between 1926 and 1929. The latter years, it must be remembered, already marked the end of the entire post-World War I boom. The decline in prices, far from being unusual, was grossly inadequate for the time involved.

The more liberal New Deal economists rightly viewed this interplay between high productivity, high prices and restricted output as basic to the onset of the Great Depression. "In order to peg prices", observed Paul Douglas during the 'thirties, "it was necessary to exercise some control over production and to restrict it somewhat. But this restriction of production was at the same time a restriction of employment. With output per worker rising more rapidly than total production expanded, the inevitable result was a slight diminution in the total numbers employed in manufacturing, mining, and transportation. And, what was even more important, there was a failure on the part of the basic industries to absorb the increased number of those who entered the labor market during the decade".<sup>13</sup>

These views receive dramatic confirmation from the movement of the American economy in 1929 and afterward. A study of the relationships between sales, orders, output and employment will show that the first evidence of a crisis appeared in May, 1929, when the automobile industry began sharply to reduce employment. The reduction continued unabated throughout the year, employment falling nearly 30 per cent by October. The great stock market crash, it may be well to note, did not occur until the last weeks of that month. The bust in the market seems to have reflected a "recession" in industry that began clearly to appear in August, and was generally acknowledged as such by the sophisticated business press shortly before the crash. The "recession" was distinctly one in output and employ-

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<sup>13</sup> Paul H. Douglas, *Controlling Depressions*, London, 1935, page 58.

ment. Every other major indicator showed a rise. Department store sales mounted steadily after a seasonal summer decline; new orders for manufactured goods compared quite favorably in October, 1929, with those received during the same month in 1928; new car purchases too were higher throughout the fall of 1929 than in the corresponding 1928 season. Similarly, unfulfilled orders for transportation equipment were higher all through 1929 than in the boom year 1928. Yet automobile and steel production (seasonally adjusted) declined throughout the fall of 1929, well in advance of the securities crash. It seemed as though the auto producers, among others, were deliberately working to create a short supply of motor vehicles to maintain or increase prices. After the crash, auto cutbacks were precipitously high—and avowedly “anticipatory”. “In December, 1929 . . .,” note the government economists, “automobile manufacturers, anticipating a decline in demand, quickly readjusted production schedules, thereby reducing output to 120,000 units, as compared with over 234,000 during December, 1928, this total being much smaller than any December since 1921.” The situation, as yet, by no means warranted such a drastic diminution of output, and “production recovered rapidly during the early months of 1930”.<sup>14</sup> But by early 1930, additional “anticipations” of this kind in other highly concentrated branches of industry helped to turn very large numbers of men out of work, and the United States passed into the greatest depression in its history.

What followed, however, is equally interesting. As Gardiner Means was to show in his *Industrial Prices and Their Relative Inflexibility*, between 1929 and 1933, the more centralized the industry, the less responsive the price structure to economic declines—even to a crisis as deep as the Great Depression. While agricultural prices fell 63 per cent, responding to supply and demand in an “orthodox” way, and textile prices fell 45 per cent as compared with a 30 per cent fall in output; iron and steel prices fell 20 per cent as compared with 83 per cent; cement 18 per cent as compared with 65 per cent; motor vehicles 16 per cent as compared with 80 per cent; and agricultural implements 6 per cent as compared with 80 per cent. These are list prices. A good deal of argument has centered around actual net prices charged by industry during the 'thirties. So little is known, however, about the discounts allowed during the time that the arguments in defense of a more responsive price structure are nearly useless. It suffices that, whatever these discounts were, they probably could not have been so important if they found little reflection in the list prices that were available at the time. It would require an incredibly high discount to bridge the gap between a 6 per cent fall in the price of agricultural implements and an 80 per cent decline in production.

<sup>14</sup> *Commerce Yearbook*, 1930, volume I, U.S. Department of Commerce, page 427.

The effect of these lagging prices on the economy during the 'thirties cannot be emphasized too strongly. One of the most important "readjustments" periodic crises make is the reduction of boom-inflated costs to a point where the initial upward reaction to the lowest point reached by a crisis occurs with the support of high profits and a broad market, particularly a strong demand for producers' goods. If the decline in prices is insufficient to achieve this "readjustment", production may rise only to a level necessary for mere human subsistence and then stagnate. This is essentially what happened in the 'thirties. Instead of continuing to fall, prices were buoyed up again by the NRA, which virtually scrapped all earlier antitrust legislation and turned the economy over to the trade associations. As Frederick Lewis Allen tells us: "It happened that the men who were chiefly responsible for the establishment and guidance of the NRA were not the liberal 'brain trusters' of conservative legend but a group of industrialists and businessmen, some of whom had long hoped to persuade the government to mitigate the Sherman Act; and thus it was this (approach) . . . in practice had the best of things—especially as General Hugh Johnson (the NRA administrator), for all the picturesqueness with which he threatened to 'crack down' on those who did not comply with the NRA codes, was quite unsuccessful in forcing general compliance with the wage-raising agreements, and in fact made only scattered attempts to do so. Thus although in some industries the increase in the wage bill was impressive, in others it was ridiculously small; and meanwhile the businessmen who had swarmed to Washington and perspired over the drafting of codes during the hot summer of 1933 found the opportunity to 'stabilize' prices a godsend. Here, thought some of them, was a lovely chance for combinations to run prices up. Hence there were some industries in which prices actually rose much faster than did the wage bill".<sup>15</sup> From May, 1933, when NRA began to crystallize publicly, to May, 1935, when the Supreme Court declared the Act to be unconstitutional, wholesale prices rose 24.5 per cent. Once again, wages began to fall behind the increase in production. "In anticipation of higher code costs of materials and labor, there had been a spurt in industrial production, beginning when NRA was first proposed," notes Broadus Mitchell. "Manufacturing output had been increased by some 50 per cent, but factory payrolls by only half as much."<sup>16</sup>

Finally, NRA gave official sanction to another tendency that had contributed to the onset of the Great Depression, namely, restriction of production. Some 91 codes contained "production control" provisions. In addition to the fact that these controls preserved the conditions that kept prices high and employment low, they served to exacerbate all the "lesser" contradictions that troubled the economy. "Where a section of an industry had differential advan-

<sup>15</sup> Frederick Lewis Allen, *The Lords of Creation*, 1935, pages 437-438.

<sup>16</sup> Broadus Mitchell, *op. cit.*, page 241.

tages," observes Broadus Mitchell, "limitations on production might shift business, as from southern to northern cotton mills. Production control ran counter to the purpose of recovery through new investment and construction of capital equipment. If a new plant was not permitted, was an existing establishment to be allowed to start production in that line to supply its own needs instead of buying in the market?"

By degrees a situation arose which stood at variance to traditional conceptions of the old "free trade" days. Administered prices, high productivity, and reductions in the break-even point of costs yielded economic stagnation and chronic unemployment on the one side, and fairly good profits for the more centralized industries on the other. In auto, for example, with "the exception of Ford and Studebaker, the record for the depression decade was exceptionally good".<sup>17</sup> General Motors earned 36 per cent on its invested capital between 1927 and 1937, an average which this giant concern seldom exceeded after the Second World War. Steel, although burdened by very inefficient methods and forms of business organization, nonetheless did fairly well. By 1937 the industry as a whole reached a rate of return just about equal to what it had acquired in 1928, a boom year during the 'twenties. Machinery, electrical equipment and agricultural implements had rates of profit on net worth that were as good in 1936 and 1937 as those in the 'twenties. Productivity continued to rise. In auto, the index of labor needs per unit decreased from 74.1 in 1930 to 67.8, or about 8.5 per cent. Those very same years, however, saw unemployment at 15 per cent of the civilian labor force.

The forces making for this kind of stagnation have not been arrested by the Second World War. The war and its aftermath have seen far greater industrial centralization, a firmer grip on the price structure, and serious over-capacity. During the period 1951-56, for example, corporations having assets of more than \$100 million have increased their percentage of all manufacturing assets from 47 to 59 per cent. "In other words, the proportion has risen by 11 percentage points over the past five years," observes the House Small Business Committee in its *Final Report* of January, 1957. "If the rate continues without acceleration, though acceleration could logically be expected, then all assets of all manufacturing corporations would be concentrated in corporations with more than \$100 million each, in the course of a little over 18 years." This sort of development, of course, is very unlikely, partly because the large corporations require smaller but dependent firms to carry on a variety of operations which would be of a nuisance value within the larger corporate framework. Moreover strong social forces are resisting the tendency to encompass all manufacturing within the sphere of highly centralized enterprises.

<sup>17</sup> D. A. Moore, "The Automobile Industry", a case study, in *The Structure of American Industry*, ed. by Walter Adams, New York, MacMillan Co., 1954, page 322.

But this does not solve the problem; it adds to it by locating the centralization of industry in a battleground of conflicting interests with serious political overtones.

The increasing grip of American industry on prices has led to even greater concern at present. Before the 'fifties, non-farm wholesale prices invariably declined during crises. The issue was whether they fell in proportion to declines in production. In each successive depression after the First World War they fell proportionately less and less, irrespective of the depth of the crisis or its duration. According to a recent survey by the *Wall Street Journal*, in the severe decline of 1920-21, wholesale prices fell 35 per cent. In the more severe crisis of 1929-32, they fell 23 per cent. The crisis of 1937-38 saw them fall only 4 per cent and the slump of 1948-49, 2 per cent. It might be argued, of course, that crises after 1929-32 were less severe, although the relationship between a fall in prices and a fall in production began to move far out of line. With the 1953-54 crisis, however, prices rose .4 per cent, and from November, 1957, to December, 1958, wholesale prices rose .6 per cent.

"What Keeps Prices High?" asks John L. Hess, reviewing current price increases in *The Reporter* of May, 1958. His conclusion: "Industry after industry has abandoned the free-market concept. The prevailing doctrine now is: if sales, and hence profits go down, raise prices." In February, 1958, for example, airlines were granted increases by the Civil Aeronautics Board because "profits and traffic had declined", notes Hess; that is, "because service was too good, or there was too much competition". The oil industry met the 1958 crisis with the assertion, to summarize the memorable words of M. J. Rathbone, president of Standard Oil of New Jersey, "that a general cut in the price of crude oil would not accomplish anything at this time. 'I do not myself see why it should not aggravate the situation rather than alleviate it'." (*Wall Street Journal*, 13th February, 1958). The best information on this "doctrine" comes from current investigations of administered prices by the Kefauver subcommittee. The testimony and documents which this subcommittee of the Senate Judiciary Committee has collected on steel and auto price manipulations bring us directly into the crucible of American industry. The Senator has summarized the subcommittee's findings as follows: "In the steel industry . . . they have for many years been administering in only one direction—upward. A chart, presented in the subcommittee's report on steel . . . shows that since 1947 the price of steel has risen from year to year at almost a constant rate. It rose while unit labor costs were declining, and it rose while demand was falling . . . In the report of the subcommittee, it was estimated that the direct cost of the July, 1957, price increase to steel buyers (the third within a twelvemonth) was in the neighborhood of \$540 million a year. The report estimated that since August, 1956, the three increases had added some \$1.6 billion to the annual direct cost of steel shipments". (*The Nation*, 28th June, 1958).



In view of business claims that price increases have been due entirely to rising labor costs, the relationship between price and wage rises in steel is of particular interest today. "In our examination into the 1957 price increases," continues the Senator, "the subcommittee found that the increase in price was substantially in excess of the increase in labor costs resulting from the rise in wages and other benefits as provided in the second year of the three-year contract between the steel companies and the United Steelworkers of America . . . The price of steel scrap, an important element in steel-making costs, had fallen in 1957 from its high point in the previous year. Using data obtained from the steel companies themselves, the subcommittee estimated that the amount saved by the steel companies as a result of the decrease in scrap prices was greater than the cost of the wage increase." Labor costs had increased between \$2.50 and \$3.00 a ton of finished steel; prices increased \$6 a ton, leaving a margin of between \$3.00 and \$3.50. The steel companies thus raked in higher profits per unit from two sides—higher prices for finished steel in excess of larger labor costs, and lower scrap prices. The result has been steadily higher profits per unit from 1952 onward. Every year has seen a rise in net income after taxes for each ton of steel shipped. In 1952, steel profits stood at \$6.80 per ton; by 1957, they had increased to \$17.91, an all-time high that "compares with an annual average profit per ton of \$6.90 during the 'twenties, \$1.84 during the 'thirties and \$6.78 during the 'forties (excluding the war years)".

Whether sharply rising productivity eventually gives rise to mass unemployment may seem debatable. It is possible to envisage a point where so much more can be produced with so few workers that unemployment will grow even if prices fall. Recent advances in automation suggest that rising productivity has become a source of crisis in its own right. However, with the centralization of industry and with monopoly-administered prices, rising productivity now acts directly to produce more unemployment. Since higher productivity and monopoly arise from the bowels of the capitalist economy, it becomes rather meaningless to give priority to one over the other. What distinguishes the past few decades from the last century is the coalescence of both into the crucial economic syndrome of our times.

The interplay of rising productivity and monopoly has two aspects. From the standpoint of an upswing, rising productivity and capital accumulation result in over-capacity. Profits and investment tend to increase at a faster rate than mass income, partly because productivity (as recent studies by the National Bureau indicate) makes its greatest gains during upswings, partly because administered prices tend to slow up the rate of increase in mass consumption. Wages lag far behind profits and investment. To gain an overall view of this lag in recent years, between 1953-57 real wages and salaries increased 3.1 per cent as compared with 3.9 per cent for investment. This proximity of rates, however, is deceptive; the relationship

between the two was closest during the early 'fifties. By 1953-57, real wages and salaries increased 3.9 per cent while investment rose by 6.9 per cent. As a result, high over-capacity relative to the output that could be absorbed by real income developed. In the third quarter of 1957, the quarter that saw the beginnings of the 1958 crisis, 16.7 per cent of steel capacity, 10.7 per cent of cement capacity, 26.3 per cent of rubber capacity, and 18.5 per cent of paper and paperboard capacity were idle. Moreover, Keynesian theory to the contrary, consumer income after taxes lagged far behind consumption, i.e., the "propensity to consume" was very high, to put the matter mildly. On the overall, total consumption rose at an annual average of 3.6 per cent during 1953-57 as compared with 3.4 per cent for consumer income. By 1956-57, these rates changed to 2.1 per cent and 1.1 per cent respectively.<sup>18</sup>

From the standpoint of a downswing, the depression during the 'thirties shows that the centralized industries dominate the decline. These enterprises now manipulate prices, costs, and output in a completely negative way. Once a certain plateau is reached after the lowest depths of a crisis, stagnation proves to be profitable and even supplies these corporate elements with a measure of economic security that they could have scarcely known during the 'twenties and earlier periods. The crisis removes fears of reckless growth, over-capacity and sudden upsurges by competitors riding on the possibilities opened by a boom. The mid-thirties saw a degree of industrial control, domestic and international cartelization, in short, a festering "stability" amidst widespread destitution, that had never been witnessed before. With the outbreak of the Second World War, virtually every major branch of industry resisted "reconversion" and tried to preserve the "settlement" that had been brought about by the depression. "Important industrialists hung back, staged a 'sit-down strike of capital' until assured that the government would bear the major part of financial risk if they accepted defense orders and expanded their plants," observes Broadus Mitchell.<sup>19</sup> This tendency—the desire to "stabilize" the economy at highly profitable levels without expanding output—has come increasingly to the fore in recent years.

### The Economy and the State

Can the Federal government counteract these tendencies and promote further economic development?

This question has become the key one of our day. The real Gross National Product of the United States must increase at a sufficient rate to absorb the net increase in the labor force without any decline

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<sup>18</sup> Most of the data in this paragraph are drawn from the able comparative analyses prepared by the Conference on Economic Progress.

<sup>19</sup> Mitchell *op. cit.*, page 370. For details, particularly with regard to the steel and auto industries, see Edward L. Allen's *Economics of American Manufacturing*, New York, 1952.

in the standard of living. Liberal economists estimate this growth to be at an annual rate of 4.5 to 5 per cent. More conservative estimates, based on historical performance, assert that the growth should be about 3.6 per cent. This would probably not yield "full employment", but it would be regarded as "satisfactory". Be that as it may, since 1929 it has become plain that American capitalism, without State intervention, could average neither a 4.5 nor a 3.6 per cent rate of increase in the real Gross National Product. Any overall rate of increase has been rendered possible in recent decades by high levels of government expenditures. It has thus seemed that since these expenditures prevented a chronic crisis, the Federal government need only continue to spend more to prevent crises in the future. As one leading fiscal advisor suggests, if the Gross National Product increases at an annual rate of 5 per cent and Federal expenditures remain at 18 per cent of the Gross National Product, it will be possible to increase the Federal budget by \$5 billion a year without raising taxes. The \$5 billion a year would act as a sort of fiscal prophylaxis against crises.

The impact of Federal expenditures on the economy, however, has varied much too greatly to be resolved into a simple formula. Very sharp declines in Federal spending, of course, would make for an economic crisis. This occurred in 1953-54. To remove the present plateau of Federal expenditures would obviously plunge the United States into a disastrous crisis within a few weeks. On the other hand, only sharp increases in outlays make for an economic boom. These increases were initiated in 1942 and 1951, each lasting for only a few years. It cannot be emphasized too strongly that the post-war upsurge of the American economy depended primarily on these two great impulses. What is interesting about the current period is that new impulses making for a boom are as difficult to conceive as a return to Hoover's "balanced budget" notions of 1930.

The reason for this lies in the problems such an impulse is likely to create if it were attempted today. Apart from the exigencies of war, the sweeping increases in Federal expenditures in 1942 and 1951 were acceptable—in 1942, even necessary—because they could cure more than they could kill. In 1942 outlays were increased in a deflated economy whose capacity and living standards had been terribly eroded by a decade of depression. The economy had been reduced to sheer bedrock on which almost anything could be built. To spend was like bringing rain to a droughted land. By 1952, a substantial advance had been achieved in output, capital accumulation and general economic reconstruction. The greatest rates of advance had come to an end, and a retreat was already under way in certain areas of the economy. But over-capacity was only beginning to come into view; it was not quite on hand, as yet. Needs for steel, automobiles, appliances and homes were still unfulfilled, given the institutional level of income. These demands could yield a generally high level of output for a few more years to come. The Korean

War turned this stagnation at a high level into a boom. But following as it did upon an earlier period of advance, the war and post-Korean boom created an industrial plant whose output was much too large to be absorbed by the American people at present levels of income. The impulse supplied by large Federal expenditures thus began to create problems as great as, if not greater than, those which they presumably were intended to solve.

It is on this problem that any future impulse comparable to 1942 or 1951 must surely flounder. Sharp increases in Federal expenditures cannot continue indefinitely. At the very least they would soon yield a national debt whose servicing charges would exceed the expenditures of all other government purchases combined, not to mention a staggering redundancy of military goods and eventually a paralyzing tax level. This "alternative" obviously belongs to sophomoric economics. An episodic impulse, in turn, would create the problem of absorbing the output created by the impulse once it were removed. At present levels of industrial output, not only would the impulse have to be stronger, but the problem of over-capacity it would yield would easily be greater than the economic stagnation it might overcome. The problem of Federal expenditures has thus entered into a strange twilight zone where the emphasis is placed not on massive but moderate increases in spending, on selective outlays during a downswing followed by cuts during an upswing. Whatever debate has grown up around the spending issue, of late, centers on "how much", "when" and "where".

In this twilight zone, the economists tend to make very questionable assumptions. The most important of these assumptions is that a few billions of dollars "strategically placed" can make the difference between a crisis and a boom. The economy is conceived to be sufficiently dynamic to require a catalyst in the form of increases in Federal expenditures to keep things going. The error lies in a gross misplacement of general conceptions. If a crisis arises in a period of general upswing, it is probably due to dislocations which a few billions here and there may help to remove. The problem will not be over-capacity or growing chronic unemployment, but rather excessive inventory accumulation and credit dislocations. Such crises were known in the past and they can probably be remedied by selective Federal expenditures should they occur in the future. But if the gas has been turned off and the economic pot is not boiling, a lighted match will not replace the gas. A few billions here and there can only slow up a generally downward movement; it cannot change the movement itself or remove the basic forces at work.

This much is certain: Liberal economists to the contrary, selective expenditures cannot create full employment. They never have. Nothing illustrates this so well as the current economic decline. The fall in Federal cash payments from \$21.6 billions in the second quarter of 1957 to \$19.6 billions in the first quarter of 1958 doubtless added to the economic decline of 1957-58. But it certainly did not create

the decline, which had been shaping up as early as 1956 with a significant fall in automobile output. In response to the crisis, the government stepped up its outlays to \$21.7 billions in the second quarter of 1958. By the third quarter, these rose still further to \$23.8 billions. The annual rate of increase between the first quarter and third quarter reached the very considerable sum of 8 billions. Whatever this may have contributed to the 1958 "recovery", its impact on unemployment was trivial. By January, 1959, there were more unemployed than in January, 1958.

The business press has been all but outspoken in its belief that the era of boom and full employment is over. If anything, a dark cloud of suspicion surrounds nearly every liberal demand for greater Federal effort to bring about a greater pace in economic growth. "It is easy to understand why theorists become impatient when they contemplate the gap between actual output and full capacity," observes *The Guaranty Survey*, "and why they are prone to devise schemes for closing this gap. Yet it is significant that businessmen are seldom found among the proponents or adherents of such schemes . . . The desirability of economic growth is not subject to question, and if the United States can achieve a long-term annual growth of 5 per cent or even more, so much the better. But when economic growth becomes a slogan for proposals aimed at uninterrupted business boom, it becomes a menace to economic stability and economic freedom as well." (March, 1959.)

The emphasis, in fact, has now shifted from economic growth to cutting production costs, particularly those of labor. In a sermon on wages, the National City Bank *Monthly Letter* warns that "excessive wage increases are a two-edged sword; in the long run no one can foretell whether the true danger is inflation or deflation. Wage boosts in excess of general productivity gains tend to force prices higher, but at the same time they intensify pressure on management to cut labor costs by reducing the number of workers. Efforts to push wage demands too far may backfire upon the workers by diminishing job opportunities. To a considerable extent they have already done so, as shown by the lag in factory jobs relative to total employment and output. Workers and manufacturers alike run the risk of pricing themselves out of the market. Despite union agreements that higher wages are the way to prosperity and growth, it is clear that substantial wage boosts have an essentially unstabilizing effect on the economy". (February, 1959.)

This sermon is more than routine. It is partly true; only partly, because the greatest single cause today making for rising costs has been administered prices. The business letters, needless to say, give virtually no attention to this inflationary force. Viewed in terms of government expenditures, however, the bank's construction assumes a palpable reality of its own. In so far as Federal outlays for social welfare and even armaments tend to diminish unemployment or, worse, help to bring about full employment, they thereby tend to increase

labor costs. Increased labor costs, in turn, press against profits. The rise in production costs rapidly leads to more than ample increases in prices, squeezing sales between a narrowing market and enormous productivity capacity.

The larger bourgeois interest, today, thus calls for Federal expenditures that will not produce full employment. The Administration has responded accordingly. In recent years there has been a marked shift in the product mix of the major military procurement dollar away from mass-produced items with a high labor content to specialized, often experimental, items with a substantially lower labor content.

"In fiscal year 1953, the last year of the Korean War," observes W. J. McNeil, comptroller of the Defense Department, "combat and support vehicles took 13.6 cents of each major procurement dollar, and conventional ammunition 13.7 cents. In fiscal year 1959, vehicles will take 1.9 cents of each procurement dollar and ammunition 1.6 cents. Similarly, expenditures for production equipment and facilities took 9.7 cents of each major procurement dollar in fiscal year 1953, and will take only 2.7 cents in fiscal year 1959. Even in manned aircraft there has been a distinct change in trend. Aircraft took 43.4 cents of each procurement dollar in fiscal year 1953 and over 60 cents in fiscal year 1955. But, in fiscal year 1959 aircraft will only take about 50 cents of each procurement dollar."

On the other hand, missiles, which generally require some 30 per cent less labor to produce than other heavy military equipment, have increased their place in the major procurement dollar from 1.7 cents in 1953 to 24 cents in fiscal year 1959. "The Defense Department recognizes the hardships these rapid technological changes impose on individual industries, firms, and employees," adds McNeil, "but this is one of the costs of technological progress."<sup>20</sup> Needless to say, this change is not the result of economic policies alone; military "necessities" play an important role of their own. The change, however, occurs in an atmosphere where the Federal government is mindful of its economic consequences, yet no serious compensations have been made for its effects.

The public works program of the Administration suggests a like orientation. The government has been confronted with a variety of choices that might possibly stimulate the economy. A strong public demand has existed particularly for more housing and schools. These are areas of public works which not only make for more jobs, but in which very serious shortages exist. The Administration's emphasis has been directed instead toward highway construction. "By its nature, however, highway construction will not have as broad an impact on the general economy as would the same expenditure for housing or non-residential buildings," observes Ewan Clague, Com-

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<sup>20</sup> *Hearings before the Joint Economic Committee, Congress of the United States, 1958, page 317.*



Commissioner of the Bureau of Labor Statistics. "Fewer supply industries are affected, and less site labor is required. In addition, corollary spending for new furnishings and equipment is not generated to the same extent, except when business activities are attracted to, or required on the highways or near rights-of-way."<sup>21</sup>

The truth is that the Federal government's expenditures since the end of the Korean War have had less and less of a stimulating effect on the most strategic areas of American industry. Hence the budget has become increasingly social, directed more toward the assistance of depressed elements in the United States than earlier "Fair Deal" budgets. "While the military and foreign-aid expenditures of the government have been held to roughly the same order of magnitude throughout the recent period," notes David Demarest Lloyd, "the domestic expenditures of the government have risen more than 50 per cent . . . Federal expenditures for labor and welfare (which do not include trust-fund expenditures for Social Security and unemployment benefits) rose from approximately \$2.5 billion in fiscal year 1954 to \$3.4 billion in fiscal 1958. In fiscal 1959 they have risen another billion, a total increase of almost \$2 billion during the Eisenhower years. The increase in expenditures for agriculture and agricultural resources is even more startling: From a level of about \$2.5 billion in fiscal 1954, the expenditures have risen to nearly \$4.5 billion in 1958 and up almost \$2 billion more in 1959, for a total increase of close to \$4 billion . . . Close on the heels of this major rate of rise in the agricultural sector is the upward spurt of expenditures under the heading 'Commerce and Housing', which have shot up from an abnormal low of \$800 million in 1954 to a little more than \$2 billion in 1958 and to almost \$4 billion in 1959."<sup>22</sup> The reason for these increases is that there are more depressed elements slowly collecting in the United States. A growing number of Americans, particularly farmers but including middle-aged and elderly people, and more recently technologically unemployed workers, are depending partly or entirely on some kind of Federal and State assistance.

Thus the relationship of the State to the economy has begun to move in a strange circle. Just as capital accumulation produces limitations to its own free movement by diminishing the labor required for production; just as competition develops monopoly and monopoly-created stagnation; so the expansion of industry by means of State support raises barriers to the effectiveness of that support. Today the massive state expenditures that vitalized the past 15 years of post-war industrial expansion would leave American industry so overdeveloped relative to mass income that the economy would crumble under the weight of its own size and output. It is easy, of course, to construct "models" in which expansion creates proportionate

<sup>21</sup> Hearings, *Ibid.*, page 74.

<sup>22</sup> David Demarest Lloyd, "The Sham Battle Over 'Spending'," *The Reporter*, 8th January, 1959.

increases in purchasing power, and where output is absorbed by the demand it presumably generates. These "models" never reflect the real state of affairs. The contradictory tendencies discussed thus far intermesh. We find that the expansion of industry occurs with proportionately fewer workers, and hence with a diminishing market. Its growth finally yields over-capacity rather than greater purchasing power. We find, furthermore, that with growing industrial centralization, rising prices advance disproportionately beyond the rising labor costs by which they are excused. Again, instead of expanding aggregate demand, price increases tend to contract it.

Far from being an autonomous factor in the economy, the aid given by the State is contingent upon the economic reality toward which it is directed. The real question is: What is State support reproducing? What is it expanding? In the United States it has been expanding bourgeois relations of *production*, and concomitantly all the contradictory tendencies that these relations embody. At a time when so much is being written about a "new capitalism" that lends itself to close regulation and control, it may be well to emphasize that none of the basic contradictory tendencies within the "older" capitalism have been removed. Stagnation and contraction in capitalism are generated precisely by the self-expansion of capital. The very growth of capital creates the conditions for its decline. While State support may yield many significant economic gains for a time, the expansion it generates finally serves to heighten the contradictions within the system. The effects of State support are then increasingly paralyzed by all the traditional problems of capitalist expansion. Short-run gains are eventually paid for by long-run disasters.

### Concluding Remarks

There are no formulas that make it possible to "predict" the onset of a chronic crisis like the Great Depression. At best it is only possible to point up overall tendencies that guide the eventual course of the economy. And the word "tendencies" must be emphasized. The forces involved may be submerged for a time and many circumstances may counteract their direct effect over the years. These effects, however, must finally be felt. Modern capitalism has found no way of removing the contradictory nature of capitalist accumulation or the fact that without further accumulation the economy must pass into a chronic crisis. Nor has it arrested the trend toward more and more industrial centralization and administered prices. The decline of 1958 is the first serious post-war portent of the effect these contradictory forces are beginning to have again on the American economy. The point that guides this brief study is that, despite ups and downs, these contradictory forces will intensify on the surface of American economic life. They will no longer be submerged for any great length of time or operate as indirectly as they have over the past 12 years.

This, to be sure, is not to say that the United States stands on

the eve of another 1929. The past 30 years have brought certain changes in the nature of the American economy. A staggering quantity of commodities are currently produced for utterly useless, even destructive, ends. An enormous proportion of the labor force is occupied with useless "work"—from sales and advertising to a mire of government operations that suck up some 8,000,000 full-time employees, or over 11 per cent of the labor force. The economy is immersed in an ooze of abstract, i.e. socially useless, commodities and jobs that for years has "protected" it from severe declines. The "protection" supplied by abstract production has been important, but it is not decisive. The ability of expenditures of this sort to stimulate the economy is reaching its limits and is now becoming a burden in the form of over-capacity relative to what the market, as it is now constituted, can support.

Economic problems, needless to say, give rise to political problems. The latter often reflect the former so closely that both appear to be of one piece. In the United States, the factors which have slowed up the operation of the contradictory forces in the economy have their counterpart in factors which blunt a politically coercive "solution" to economic instability and unrest. While it is not inconceivable that an adventurist attempt will one day be made to bring the police power of the State more directly into accord with the needs of the great monopolies, the United States does not easily lend itself to a totalitarian regime. The American economy is too variegated, the interests that exist are too complex, the scale of economic and social life is too large to be easily manipulated or dominated by crass social coercion. The United States is neither Weimar Germany, with its destitute and hopeless middle classes and its overwhelmingly centralized industry, nor is it petty bourgeois France. It uniquely combines industrial centralization with a very extensive middle class—a middle class that occupies a large area of industry as well as commerce and retail trade.<sup>23</sup> Moreover, the United States is more variegated in national, racial and sectional interests than any bourgeois-democratic country in the world. Millions of Americans—notably Negroes and Jews, but also other strata which do not have the privileges of full "social acceptance"—can be moved to action in the face of strongly anti-democratic tendencies. Regional interests are also more pronounced. The states and towns still guard the rights they acquired

<sup>23</sup> It is of interest to note that there has been virtually no decline over the past 50 years in the *number* of enterprises relative to the growth in population, although there has been a clear decline in the weight of small business in American economic life. In 1900, 22 businesses existed for each thousand people. By 1957, this figure increased to 25. Many of the increases occurred in wholesale trade and contract construction, but a very large increase occurred in manufacturing—nearly 37 per cent since 1940. It would be no simple matter to assure the complete domination of big business without first breaking the back of this class. The tendency toward a decline in small business is very strong. But it is being fiercely resisted, as the evidence of the House Small Business Committee indicates.

under the old decentralized Yankee democracy. They continue to resist encroachment by the Federal government, which, in turn, is probably more divided in its powers than any of the leading industrial states abroad.

But what is most important: the whole movement downward is slow. What faces the United States is not an acute crisis, but the closing of a perspective. Government expenditures are still high enough to keep a crisis from turning into a wild downward spiral like 1929-1933—although such a spiral could occur if the government acted too late at its onset. There are strong reasons for believing, however, that these expenditures cannot prevent a period of overall decline. And this may be enough, with the tremors of the nuclear and missile age, to change the present mood of social and political indifference into a deep disquiet. With a growing awareness of the irrationalities that are slowly paralyzing the present economic system, the American people may well be foremost in turning the vast resources of their continent and industry into an economy based on human needs.

4th April, 1959.

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## Perspicax

# "THE NEW AMERICAN PAINTING"

*A comment on a recent exhibition  
at the Tate Gallery, London\**

Those familiar in the sphere of Fine Art with the bulk of so-called criticism which concerns itself with contemporary pictorial practices such as Tachism will long have recognised it to have become, in the main, the sheerest *pretence* at criticism. For many years now, all objective evaluation, discrimination, rational argument, etc., has, as far as the Press and art literature is concerned, almost ceased to exist. The insufferable malaise from which this art criticism suffers corresponds to the official and unofficial victory of so-called modern art

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\*The exhibition referred to was held from 24th February to 22nd March, 1959. Included amongst the painters making an exhibition of themselves were Jackson Pollock, Adolph Gottlieb, Franz Kline, Sam Francis, Mark Rothko, etc.

over all reason, and so entrenched is this dubious triumph, that, while donning the pretensions of being a *cultural* phenomenon, "modern art" celebrates as its decisive feature all that which in it has seriously to be regarded as indeed antagonistic to reason. Instigated by critics and artists and benevolently condoned by the powers that be, the false notion indeed pervades general consciousness that the *understanding* of this art is not only impossible to achieve, but, more important, that its achievement is undesirable. Corresponding to this, a definite *modus vivendi* has long been established between the alleged art and the professional critic attached to it, which is accurately characterised as: *mutual complicity in senseless production for the sake of senseless production.*

It is in the light of these considerations that the *critical* comment appended below can be seen for what its author modestly believes it to be, a *senseful* pronouncement—and consequently a truly unique achievement. A brief note of how it came to be written may help in explaining why the author is so fondly prejudiced in favour of his own work. The simple fact is that he had *intended* to write something in quite a different manner. From the beginning he had believed that, as the modern idiom so aptly puts it, he would be able to *take* this exhibition—and indeed, he intended to take it seriously. From long experience with the puerile minority *handicrafts* of "modern painting" he believed here was an occasion to produce for the infatuated observer prejudiced in its favour on the one hand, and for the uninfatuated of goodwill on the other, the convincing *proof* of the bankruptcy of this work by, so to speak, putting art-consciousness into reverse gear, that is, by ensuring that the work was *completely* understood—such understanding being a far from difficult matter. In actuality, all that is in theory required is the cognition that we are here confronted with a stage of putrefaction in *pictorial fetichisms* which came to dominate, at least publicly, the practice of painting from the end of the nineteenth century. However, such a proof would require at least an indication of the reason why such fetichisms have not only persisted in decay but have achieved a "cultural" victory. The author therefore intended to outline social forces and conditions which made this possible, namely, on the one hand the strong minority *commercial* interest in them, and on the other, in a wider sense, a persistent social stimulus promulgated on a massive scale, and reflected as compulsory incentive, to manufacture in quantity, *humanly* quality-less commodities—as befits a system of production organised for *not* satisfying human needs but for the realisation of profit. It was in this connection and in evaluating the specific bankruptcy of Tachism and so-called Action Painting (in reality, the undifferentiated and aggressive assertion of total objective and subjective *inertia*) that the author hoped to begin the outline of a constructive alternative approach directed more to practice than are those pious invocations for a return to humanism *in abstracto*, which, more often than not, overlook the inhuman material and spiritual

condition in which, *in concreto*, not only humanity is compelled to live but also those members of it solemnly invoked, namely, the *artists* themselves.<sup>1</sup>

So far, as the observant reader will have noted, no critique of the actual artefacts on view at the Tate Gallery has been produced, and for good reason—for these it were which, so to speak, did the damage, if damage it is, to the author's best intentions. Needless to say there was no difficulty in recognising in this modern American painting that one was here confronted with "the very *worst* and most *vulgar* avant-garde painting in the whole world (and hence that best fitted to lead by a nose the eclectic and confused hash known as the "new international style"). An inescapable comparison comes to mind here in view of the "cold war", competition in sputniks and other ironmongery, etc., namely, that with Russian painting, for its part with the blessing of the NKVD, the very *worst* and most *vulgar* bourgeois academic painting the world has ever had the misfortune to see since the bourgeois academies became bourgeoisified in bourgeois society. But the trouble was, in actually confronting the so-called works, the author found himself running the gauntlet of an irrepressible gamut of sensations and responses. Nausea; depthless but dull amusement; unamused disgust; anger; mild contempt; indignation; angry indifference and indifferent anger; fury; boredom. (These and similar feelings may be combined and recombined by the reader from his own experience.) The consequence of this "revolutionising" interior experience was that the author, sitting down in all seriousness to cope with the innumerable quandaries involved, prepared, as has been indicated to speak volumes, found all that spontaneously emerged from the end of his pen was:

*Ballocks*  
*To the Pollocks!*  
*Stick your works back, sons,*  
*Up your jacks—sons!*

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<sup>1</sup> Thoughtful indications of the way away from the sterile modern cul-de-sac are to be found in the article "The 'Philosophy' of Modern Art" by Alan Dutscher, *Contemporary Issues* No. 28, an article with important *practical* implications, in the present author's view, for all practising artists.



John Pitchforth

## HOW DOTHTHE LITTLE CROCODILE\*

*An open letter to Bevan*

Dear "Nye",

You are reported as having said in the Commons on 27th April, 1959, that, should the Labour Party be returned to power at the next General Election, they would stop hydrogen and atom-bomb tests at once—and that they "would not be influenced by the technical or political situation that they should find when they assumed office". This, you added, was a "solemn undertaking" from which you "would not flinch".

Taking your statement no further for the time being, since this contains the (contaminated) marrow of the bone I have to pick with you, let me consider what you have said so far, what you have omitted to say, and what you mean to imply. (In passing, even a political ignoramus born yesterday, provided he had a nose for hypocrisy, would begin to doubt your "solemn undertaking" when told that it is one: one, moreover, from which you "will not flinch".)

The direction in which it is intended to mislead was indicated by the headline-writer of at least one morning paper. The headline read simply: "Labour will stop Tests".

A vivid picture was at once conjured up of the Labour Party having strangely but creditably changed its tune and become concerned to secure the survival of the human race instead of just that of the Labour Party in the Capitalist system; a picture, thus, of the Labour Party using all its vast resources of publicity and goodwill (deserved for once!) to galvanise the diffused and as yet largely passive opposition to tests in this country; one in which the *Daily Mirror* and the *Daily Herald* tucked the reports of murders and sexual aberrations into a corner of their back pages and devoted the rest of their space for a week or more to publicising the (*truly* sensational) facts about fallout and its effects; editors and correspondents alike making a forthright stand for the *immediate, unilateral and unconditional ending of tests by this country*; a picture, finally, in which you, Gaitskell *et al* did the same in the House of Commons and even Atlee got hot under the collar doing it in the House of Lords, and in which all of you and the T.U.C. rallied the unions, which called off all work at military atomic establishments and others where there was any

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\* All italics, unless otherwise stated, are the author's.

suspicion that military nuclear production in preparation for tests was being served.

Knowing the state of public opinion, one can readily imagine what would happen were this indeed what was promised by your statement of your record. I need only mention, as an indication of the state of public opinion *within the Labour Party*, the open secret that you, who had turned renegade to your own (as they then were) anti-bomb supporters to become "shadow Foreign Secretary", would have been defeated at both the Brighton and Scarborough Conferences had it not been that the "block vote" of the unconsulted and disfranchised trade-unionists<sup>1</sup> was cast for you (you took no small part in swinging it).<sup>2</sup>

But let me clean my spectacles, which have become a little steamed, and I fear, rose-coloured, and return to your statement. You have *not* said that the Labour Party would engage in action to end tests *now*, though it *could* do so, with very good prospects of success. You have only said that the Party *would* do so, *were it returned to power*. You have *not* said that a Labour Government would end them *permanently*; nor stop them *unilaterally*; nor *unconditionally* but only "regardless of the technical or political situation you would find", which is, despite appearances, so limiting a qualification as to leave you ample grounds (e.g., *military situation*) for resuming tests.

What, in fact, *have* you promised? Ah! that is the question! You have *promised*—exactly nothing; but you *have* hopefully left plenty of room for deluded and ignorant misunderstanding that you have promised something and—you *have asked* us to—er—well—to *return you to power*.

Were further proof needed, the offensive stench of electioneering duplicity is even more apparent to anyone blessed with a political memory, when he reads your statement further, considering it together with Gaitskell's made at the May Day rally in Trafalgar Square on 3rd May, and searching for any indication that you have departed from your previous position, as you mean us to believe.

You went on to say that the "Opposition" asked (really, without saying "please"! ) that the Government should declare that they do not propose to hold any further H-bomb tests. It would then, (you

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<sup>1</sup> As I write, (5th June, 1959) I find the *Daily Herald* reporting the passing by the National Union of General and Municipal Works of a resolution demanding the unconditional and unilateral ending of tests by Britain. Their correspondent comments that, should this tendency be followed by even one other major union—the T.G.W.U.—you and Gaitskell will indeed be in a tight spot. Truly, though no bureaucrat's word can be accepted as a guarantee of action, however (reluctantly) it may respond to popular pressure, there is no knowing which of the growing number of straws in the wind will prove to be the "last" straw!

<sup>2</sup> The irony of this is that a consequent stand by you would lead to consolidation and growth of the Labour Party—instead of the apathy and disillusionment that you and the party bureaucracy are finding increasingly difficult to "contain".

went on) be extremely difficult for the U.S. to hold back public opinion there and you were *quite certain* it would want to follow the British example; and the U.S.S.R. had *already offered* to suspend tests *unilaterally*. (Really, for balderdash this last quite takes the cake—though you state Khrushchev's position correctly. What is the meaning of an offer to do anything unilaterally, short of *doing it*? ) You *believed* that declaration would facilitate agreement about (about what?) H-bomb control teams (well, I never did!—teams to control non-existent tests?) and test inspection (the same again), more than any other single factor. *This was a crisis of trust(!!!!!)* We ought, you asserted, to take the initiative in showing that *we would trust other nations* and stop tests, and thereby give a lead to the rest of the world.

Following your pompous bluster (the italicised passages of which I shall comment upon at the end of this letter), Gaitskell said that the next Labour Government would *suspend* tests and “plans for tests”. He also declared that the *next* country to conduct a series of tests would be committing a “crime against Humanity”. Pray, why only the “next”—what about the last, the last but one, the *first* and all the rest?

I have been at pains to show that it is as necessary to look as closely at what you, a professional politician, do *not* say as at what you do say, to look for “escape clauses” which you may be able to invoke later to explain your inevitable breach of “promise”. And even the *Manchester Guardian* (which, like you, sometimes pretends it was born yesterday) took the trouble to point out that you had left yourself what it was pleased to call a “loophole”. The editor, who has since indicated his sympathy for your and Gaitskell's not wishing to assume office “with your hands tied” (i.e., tied to any democratic undertaking), correctly drew attention to Gaitskell's use of the word “suspend”, which, if substituted for the word “stop” in your statement, would make it less ambiguous. He shows that I am quite right, when, remembering your record, I search for even the vestige of any commitment to end tests *unconditionally, unilaterally or permanently*. He too, has searched, and in vain. Despite this, this fellow apostle of “gradualism” (meaning: no real change) of course pretends to believe that you have made a step “in the right direction”; whereas the truth is that *you have made no change in your position whatever*.

It is time, before going into further detail, to remind you of your record. Were I at this juncture to ask *you* to give me a statement of Labour's previous attitude to tests, you would doubtless blandly assure me that you have always been against them, adding that you asked for them to be stopped in April, 1957. Fortunately, I do not have to rely upon your electoral half-truths and can remind you of the facts.

Up to 3rd April, 1957, the Labour Party had unequivocally supported both the production and testing of nuclear (including hydrogen

weapons by Britain (indeed, it was the last Labour Government which initiated British H-bomb production) and had confined its "opposition" to calling for international agreement to stop the tests—a position you will recognise as identical with that of Mr. Macmillan and also that of both Eisenhower and Khrushchev. It was at this point, however, that you began to feel the draught from public opinion and when the Shadow Cabinet—a revealing phrase, this; as is shown below, you are indeed as inseparable from the Government as its shadow—presented the following resolution to the Parliamentary Labour Party, it was found necessary to create the illusion of a concession in the form of an addendum (the bit at the end which I shall italicise):

The Parliamentary Labour Party . . . conscious of the dangers to humanity of the continuance of nuclear explosions, *reaffirms previous decisions of the Party* calling for the abolition of H-bomb tests *through international agreement* and strongly urges H.M. Government to take the initiative in putting forward effective *proposals* [a truly radical, practical and concrete suggestion, this!] for the purpose to the other Governments concerned, *meanwhile postponing the tests for a limited period so that the response of those Governments to this initiative* [I may first be considered.

The story of the power-political horse-trading that led to this trumpery deception of public opinion makes interesting, if revolting, reading. Mr. George Thomas and some 80 other Labour M.Ps. were ill-advised enough to think you might actually pass a resolution including the words "immediate end of tests". They proposed an amendment calling for the "immediate cessation of H-bomb tests—(it sounds good so far, but wait!)—and urging the Government to "initiate a meeting of the three States manufacturing the H-bomb with a view to reaching common agreement on this question"—(the cat is out of the bag; even these 80 are "Tories")—and further urging the Government "to give a lead to the world by abandoning (scandalous!) the proposed tests at Christmas Islands".

Alas, the powers that be, notably the arch-reactionary Mr. George Brown (who threatened to resign if this not-quite-Tory resolution were accepted) refused to have the cold-war pitch queered. And the Parliamentary Labour Party, including the famous 80 ("conscious of the dangers to *Humanity* of the continuance of nuclear explosions"! ) decided to placate Mr. Brown and let him have his nuclear explosions "postponed for a limited period, please".

Do you really expect anyone to believe that you really hoped to achieve even a postponement of those first Christmas Island tests with this two-faced "motion", whose one face, the escape-clause, "negotiations", has as dirty dark Brown a smell as the other, the "request"?—when the *fact* that the Japanese Government had been compelled to issue country-wide warnings of radioactivity to the populace after the Russian tests of that year, together with its strongly worded appeal to Macmillan, had met with the reply: "We might think about it; when we've had our tests"?—when the same year

caw appeals from Schweitzer, Nehru, the Pope?—when the autumn of that same year, 1957, disclosed you parading the contents of your fig-leaf in your famous speech at Brighton? Let me remind you of this savoury episode, for your delectation.

If, being a good “socialist”, you have failed to read any of the literature connected with the British Raj, you must remedy this defect forthwith, for the Mugger of Mugger-Ghaut is a crocodile with whom you may claim close kinship—identity in fact. This loving creature approached his prey by subtle stages: his preparation to devour proceeded by the proclamation of ever-nearer kinship, thus: friend, cousin, brother—self.

Your *friends*, the Norwood Labour Party, introduced a resolution seeking to pledge the next Labour Government to take the lead by ceasing to manufacture or test nuclear weapons—as anyone *concerned* about the dangers to humanity of nuclear weapons would do. You addressed them as follows:

If you decide in Britain unilaterally that you will have nothing to do with experiments or with the manufacture or use of such weapons—with none of which sentiments I disagree [crocodile]—you . . . will have to say immediately that all the international commitments, arrangements, and facilities afforded to your friends and allies must be immediately destroyed. [In English, this means, it would disturb the status quo.]

[Then, coyly, you went on]: If you carry this resolution and follow up its implications, you will send a British Foreign Secretary naked into the conference chamber [ping]. What the proposers are saying . . . is that a British Foreign Secretary should get up in the U.N. and announce that the British Labour Movement had decided unilaterally to contract out of all [no, only N.A.T.O. and a few others] its obligations to other countries, including [oh, heinous, anti-imperialist crime!] members of the Commonwealth. Do you call that statesmanship? [No! only simple humanity] I call it an emotional spasm [Oops!—poor fellow, perhaps you can't help it!] . . . The consequence of passing the resolution will be to drive Britain into diplomatic purdah. [What? Up to the eyes in it, and still naked?] . . . In my opinion the carrying out of the resolution . . . will do more [than what?] to precipitate incidents that may easily lead to a third world war . . . [!!!!]

You went on, wily crocodile, to remind your *cousins* of Norwood how you *sympathised* with them, but could not agree because you had done “a lot of agonising thinking”—the net result of which was that you crept from your beshitten purdah and hid behind Mr. Dulles's fig-leaf. “Agonising” is apt; “thinking” is not.

There was no change at the Scarborough Conference in 1958, where you took the same stance and helped heavily defeat no less than four resolutions demanding the unilateral cessation of tests and manufacture of H-bombs by Britain. In 1957, the Norwood resolution would have led “to a third world war” and now, by a typical Bevan somersault, to “stop” H-and A-bomb tests, *when you come to power*, will “facilitate agreement”; yet, as I have shown, the somersault itself is illusory, the only difference between the two statements being in

the histrionic claptrap. In either case you mean that to "stop" tests, in the Labour Party's meaning of the word (precisely the opposite of its meaning in English), will "facilitate" the "agreement" that has always existed amongst the power-politicians, yourself included, to go on doing as you are doing now.

A pity that Macmillan, Eisenhower and Khrushchev have magnanimously all gone one better than you already! They have all "unilaterally" *actually suspended their tests for a whole year*—(incidentally, the time taken usually to prepare another series). Your noisily trumpeted "news" is—about a year old—and putridly bad at that.

This is indeed a "crisis of trust"! But the question of whether "we" can trust other *nations* does not enter into the matter at all. The unilateral ending of tests would be a blow struck against thoroughly "untrustworthy" *rulers* on behalf of the majority of people everywhere who, since all their interests are identical in this matter, are certainly to be trusted. On the contrary, the issue is: *you* can no more be trusted with the majority interest than any political power or power-politician. Things are likely to remain much as they are so long as there are Britons in any number who hope to gain from you and others of your kind an unequivocal commitment to stop tests unilaterally, unconditionally and permanently; and believe your "concessions" to public opinion to have any more significance than the proclamations of kinship of that crocodile—moves to swallow the opposition.<sup>3</sup> It is to be hoped that the growing number of those who see through the wiles of you and the other 80 "left wingers" will continue to grow.

Khrushchev is not the only one who makes "offers" and "promises", for propaganda purposes, which he could fulfil on the spot without further ado, but which he has not the slightest intention of fulfilling.

You are of the same ilk. By your present agonising "effort" you are trying to swallow the manifestly growing opposition to tests *and its attempt to become independent of the Labour Party* and indeed, of *all parties*—for example the "Voters' Veto" campaign being conducted by the "Direct Action" group. It is to be hoped that the attempt will succeed and the opposition by-pass you and your party of political bankrupts, who are concerned only to make *political* capital out of the matter, especially in view of the forthcoming

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<sup>3</sup> More Labour supporters should read the *Observer*, whose political correspondent shows, at least in today's issue (14th June) that he is wise to your tricks. He writes: "There now seems little doubt that the Labour Party will revise its policy on the H-bomb. Or perhaps it would be fairer (he means truer) to say that it will change the *emphasis*". He is, of course commenting on the N.U.M.G.W. resolution mentioned in an earlier footnote, and the possibility that other trade union officials will no longer be able to resist the pressure of opinion—but he hopes you will, by a "change of emphasis". He gets first prize for euphemism.



elections. Nothing but good could come of *that*—or the success of “Voters’ Veto” which is no more than a refusal to be disfranchised on one of the most important issues facing mankind today. What is certain is that nothing will be achieved until *your* promises (and those of your Party of which you are so excellent a personification) are generally recognised to be worthless, because unprincipled and merely opportunistic, having in view not the general interest of the country but the particular power-political interests of yourself and the Labour Party bureaucracy.

14th June, 1959.

### Postscript, 18th July, 1959

Much gas has been passed in Labour Party and Trade Union conferences since the above was written and everything which has happened has confirmed my contention that the ferment of agitation against the bomb, which almost certainly engages the *majority* of Labour’s active members, will have to burst the confining Party and union bureaucracy before it can become effective—and that to do this it *must* work independently of the Labour Party.

The events of the intervening weeks may be summarised as follows: The parliamentary Labour Party and the T.U.C. hurriedly issued a joint statement on 24th June, ably summed up by the *Economist* (4th July):—

But what is far more to the point is to notice the care with which Mr. Gaitskell, in responding in double quick time to the demand in his party for a new statement once its noisiness had become apparent to him, has *safeguarded the prerogatives of the office of Prime Minister to which he aspires.*

There are three firm [!] promises [!] in the course of the party’s long statement, which will need treating by somebody from the *Daily Mirror* if they are to seem significant to the electorate. A Labour Government would lay a new stage-by-stage plan for *complete all-round disarmament* and abolition of nuclear weapons before the United Nations. If anyone broke the nuclear test truce a Labour Britain would not follow suit but would call an international conference to try to renew it. Britain would cease the manufacture of nuclear weapons and deprive herself of their possession *if she could persuade all other nations except the United States and Russia to sign an agreement, preferably under the auspices of the United Nations, saying that they would do the same.*

These all try to get other countries to do generally desirable things which it is singularly unlikely that they will do. They can be lampooned as meaningless doubletalk; *they cannot fairly be condemned as dangerous commitments* [or assessed as commitments at all!] Mr. Gaitskell may have managed to make himself look a bit absurd; but he has also—and this is the important thing—*remained personally and dauntlessly free to carry on the main theme of defence policy in which he believes, which is loyalty to the N.A.T.O. alliance.*

Then also the T.G.W.U. conference adopted (9th July) a lengthy and clumsy resolution with one outstanding merit, the demand for “complete and permanent cessation by Great Britain of the testing of nuclear weapons” and “a reaffirmation of the statements made by

the Labour Party that suspension of tests means suspension of production". This excellent portent has, however, been cancelled out, so far as its effects on the "block vote" at the next Party conference is concerned, by (1) Support for the Party/T.U.C. statement accorded by two major unions, the Railwaymen's and the Miners' and (2) by the imminent recall of the N.U.M.G.W. conference by the union bureaucrats with the object of reversing the decision mentioned earlier (footnote 1)—which, it appears, was passed by default of the platform, who failed to make the use for which it was designed of their procedural machinery—they were mostly away having tea at the time). It obviously does not lie beyond the capacities of the T.G.W.U. bureaucrats to do the same. However, even if a resolution demanding the unilateral ending of tests were passed by an enormous majority of both the union representatives and the constituency parties at a Labour conference, *Mr. Gaitskell has indicated that he would not consider it binding upon a Labour Cabinet.*

Particularly diverting was Mr. Gaitskell's reaction to the T.G.W.U. resolution. He attributed it all to Mr. Frank Cousins and refused, on behalf of the Labour "movement" to accept "dictation" of policy "by one man"!! So much for twisting: but, as usual, top mark for dissimulation goes to you, Nye Bevan. I quote the *Observer's* political correspondent: on 21st June, he wrote, under the sub-headline, "Roaring like a Turning Worm":

At one point, Mr. Bevan seems to have become slightly hysterical. "I won't say it", he announced, roaring like a turning worm. And then again, "I won't say it". *All the same, if master is adamant, we can be fairly sure that he will.*

Of course, "master" Gaitskell—(and your own judgment of what was opportune)—was adamant, and you did "say it"; i.e., agree to the joint Party/T.U.C. statement referred to earlier.

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### Drinking Song

Aye! Pass the watered scotch around,  
 Though it be fluorinated;  
 What matter if such odious stuff  
 Is contraindicated?  
 Let kidneys fail and livers shrink  
 And marrow split and dry—  
 We'll have the soundest sets of teeth  
 To smile with as we die.

JEROME EDEN.

(*New York Times*, Jan. 19, 1956.)

D. L. Watson

## MAXIMUM PERMISSIBLE DOSE OF HOKUM '59

### *Some thoughts on nuclear pseudo-science*

Nuclear power and the complex associated technology is, I believe, based on *false* evaluations of innumerable hazards involved. In other words, it is based on *bad science*—yes on *much pseudo-science*.

The Governments of the U.S., U.K. and U.S.S.R. and the now many industries involved, have embraced the premature *guess* that nuclear power *can* be made safe, in the first place because this possibility made the heinous manufacture of nuclear weapons less awful. Nuclear science, they were told, would bring to the race, just as great goods as evils. And, let us be clear, most of those who have co-operated in this development believed that they were being wisely advised about the curbing of the hazards.

But there were other reasons. The military insisted that nuclear bombs were a necessity; and technologists, having gained some skill in the difficult (and fascinating) operations of nuclear science, saw in atomic energy the possibility of a most profitable further application of this skill and investment. Moreover, by this time, a great corps of physicists, chemists, engineering scientists, medical men and biologists, had made nuclear science their special competence. Many of these were young, and lacking in the caution which comes from experience, and their notions of the relations of science to society were rooted largely in their very one-sided experience of the hothouse secrecy of the nuclear bomb developments.

More simply: *most of these men were enjoying themselves*. They found themselves with seemingly unlimited budgets, in a setting where no convenience or device was spared, to make their work "efficient" and productive.

More than this: modern industry, not least under the stimulus of the two wars, is geared to rapid change. In America especially, it spends vast sums in maintaining high-grade staff and associated material facilities, for research and development. Beyond doubt, this policy has fathered great profits, and more and more, the direction of finance and business defers to, and is quite dependent on, the opinion of its scientists, and on the *prevailing* climate of opinion in professional science.

There is some truth, of course, in the dogma of the political Left that the whole business is powered by the unscrupulous (anti-social)

greed of a "capitalism" that seeks profit rather than the serving of real human needs. But in many regards, there are other factors more important than such a naïve economic psychology allows. *All human passions are serving the juggernaut; not just the itch for wealth and power.*

Said the great American thinker, Henry Thoreau: "Most men are endeavouring to solve the problem of a livelihood by a formula more complicated than the problem itself". In the end, Thoreau's denunciation of the unappraised complexities of our civilisation (even 100 years ago) will, I believe, be found more relevant than the ponderous bombast of Marx or the communal-ownership panaceas of the socialists.

The complexity and fragmentation of our civilisation creates a *setting which coerces the thought of all*, except a handful of sceptical and independent minds. In Thoreau's words: "Men have become the tools of their tools". *And our vaunted "science" is as much the victim of this unworkable complexity, as our industry and politics...* It is sound science that *should* be warning us and protecting us against the titanic nuclear fantasy.

In large measure, however, western science is failing us when we need it most, and for the reason that it is an intrinsic function of a social-economic *mechanism* that has become progressively less able to question the human assumptions on which it is based.

*That much of our professional science is an impressive sham leading us steadily away from the true ends of life*, has been the thesis of many thinkers in our generation—more so in the U.S.A. than in Britain. But the bulk of the public is unaware how much of our science is socially evil, flooded as it is with uncritical propaganda *re* the all-wisdom of "science". Worse than this: *the majority of working scientists are unaware that this criticism exists* and are largely lacking in the experience of simpler modes of survival, or in the intellectual equipment and moral courage that are needed to question the basic assumptions on which they operate.

For such reasons, then, the scientists who have advised both governments and industries are, in large measure, *not competent to make reliable human appraisal of the hazards of nuclear power*. All the deceptions of the Adversary, artfully cloaked in the urbane, dispassionate prose of the scientific periodicals, are fast at work in the relevant specialisms, to prevent a sound intuition of the *human* shape of the facts. No previous scientific problem has so mercilessly exposed the hollowness of the present moral (*and scientific*) climate in countless sectors of professional science.

This falsification of the intellectual bases of our civilisation has been going on steadily, as the prestige and profit of scientific "research" advanced. To many, the unsparing lambastings of my *Scientists are Human* (1938) must have seemed to go too far. The event is showing in a brief 20 years that these doubts were more than justified.

In other words, *the threat to the future of the race from nuclear lunacy lies at the door of those who make their living from science.*

Let me give some examples.

The radiation-protection policies of most governments—including the British—rest on the recommendations of the International Commission for Radiological Protection (I.R.C.P.).

The I.R.C.P. now draws on the work of some 50 or more scientists in the fields of radiology, radiation protection, physics, biology, biochemistry and biophysics, without regard to nationality—all of them, I do not doubt, excellent fellows in their way.

However, as the shape of the hazard from ionising radiations progressively discloses itself, it is more than clear that this group of specialists is quite inadequate. The transport of radio-active dusts involves *meteorology*; the so-far-futile attempts to "dispose" of the fission-debris from power reactors bring in *geology* and *oceanography*; the irrational compulsions driving nuclear physicists, power-engineers and government planners are the province of *psychology* and *psychiatry*, and the fact that the public has been so easily fooled by them is a question both for these sciences and *sociology* and *economics*; and no "radiation protection" (*qua* "theory") is worth a hoot which has not been torn apart by the findings of *moral philosophy*, *metaphysics* and *epistemology*.<sup>1</sup>

Moreover, the 12 members and the Chairman of the Commission itself are *chosen by the Executive Committee of the International Radiological Congress*. This will seem reasonable enough until it is realised that *it is the field of radiology itself that has already furnished the most convincing proof (that any layman can understand) that the existing science of radiation-protection has been woefully at fault*. X-rays have been administered in medical practice by *radiologists*, for

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<sup>1</sup> It would be surprising to find that the intoxicated heroes of nuclear power knew even the names of all these fields of science. The fact is that there exist very few scientists of a catholic enough experience and outlook properly to weigh the novel and hydra-headed perils of these developments. Most scientists today reach a position of influence by a ruthless and inhuman specialisation of interest and effort. We are asked to trust our future, and that of our species, to the *opinions* of a handful of such over-specialised "experts", many of whom, furthermore, have been drawing tidy incomes from taking part in this appalling work, and for this reason alone are hardly in a position to give us an independent judgment. It is, unfortunately, these interested scientists who are in the majority, and whose views, false though they be owing to one-sidedness and bias, prevail. Yet the history of science shows that the majority opinion may be wrong—on a major issue—for years, sometimes for a generation or two. And the view that prevails in the end, is *not* that of a majority, or even of those once accepted as the most "distinguished", but of those few who saw farther and deeper. But who these few are does not usually become clear till much later. It is thus important not to be overawed either by the academic eminence and numbers of those who nowadays give their opinion in favour of nuclear power; for neither of these matters has any necessary bearing (for obvious reasons) on the *correctness* of the opinion.

both diagnosis and therapy, for more than a generation. It is now discovered (under the impact of the heart-searching on bomb "fall-out") that much of this has caused, and is still causing, major damage to many patients.

Leukaemia, or blood cancer, is most frequent in countries whose medical services use most X-rays. Deaths from leukaemia among American radiologists are ten times as frequent as among other American doctors, who live, on the average, five years longer than the U.S. radiological "experts". X-ray "treatment", of enlarged thymus gland, *increases* the risk that a child will develop a cancer, as it does for adults with other disease conditions. And to crown all, an X-ray photograph of the child in the womb before birth (an increasing procedure) notably increases the danger that, even by the age of ten, he or she will *die* of cancer, or develop some severe handicap.

*All this is the province of the "science" of radiology.* And it is the radiologists who have had most say in devising the alleged "maximum permissible doses" and "maximum permissible body-burdens" on which governments—including our own—are relying in going ahead with the development of nuclear power.

It is tragically symptomatic of the "let-George-do-it" spirit that cramps the awareness and human worth of *every* scientific specialism that not one of the innumerable scientific papers that have used the "maximum permissible doses", etc., of the I.C.R.P. have pointed out these facts. Radiology as a science has a natural bias towards finding that radiation hazard is manageable, towards accepting and perpetuating the false concepts of "permissible dose" and "permissible body-burden". No man is in a hurry to show that he has been a fool—in the light of the damage already done by medical X-rays, a dangerous fool.

Three years ago, the General Assembly of the United Nations appointed a "Scientific Committee on the Effects of Atomic Radiation". Its 1958 Report, signed by scientists of 15 nations, says (paragraph 55(a)): "*Even the smallest amounts of radiation are liable to cause deleterious genetic, and perhaps also somatic, effects...*" In other words, the (M.P.D.) doses are "permissible" only by unscrupulous promoters, not by the people exposed. "*Maximum permissible dose*" is thus a criminally unscientific concept.

In Britain, both the Medical Research Council and the Atomic Energy Authority have (conveniently) accepted the recommendations of the I.C.R.P. as if they were the word of God. A week or two ago, I wrote to the *British Journal of Radiology* (which has published these I.C.R.P. recommendations here) asking for data on the critical evaluation of these proposals (for that is all they are). Their reply, which lies on my desk as I write, speaks volumes: They "have not heard" of *any* critical British opinion.

*Without forthright criticism, genuine science dies.* And that is what is happening in every sector of the nuclear lunacy. The few



critical voices such as Haldane, Carter or Antoinette Pirie's collaborators are drowned by the chorus of yes-men who believe without question, what is said in the I.C.R.P. book.

For this reason *all* of the artful papers on "radiation protection" published by the A.E.A. are, *as science, not worth the paper they are written on*. They are, one and all, tendentious pseudo-science, in pure culture.

Let me give a close-up of this unscientific mentality, *outside* of the ingrown British oligarchy. At the 1958 Geneva U.N. Conference on Nuclear Energy, the chairman of this I.C.R.P. gave a review of its work. After describing what has been done and what is still needed (*in his opinion!*) to ensure the radiation safety of mankind, Professor Rolf M. Sievert wound up:

*"Many of the questions which urgently need answers are not of special interest to research workers [!] when compared with the many other important and very much more rewarding [to whom?—D.L.W.] problems in modern science."*

Thank you, Dr. Sievert, for such a revealing disclosure of why we, the common, sane majority of men, cannot trust you, or your colleagues. Clearly they are more interested in amusing themselves with (politically spineless) "rewarding" researches, than they are concerned with the present health and genetic integrity of their fellow men. Your "brilliant" and "highly trained" specialists are here shown to belong to the same "*me-first*" party as the staff of the Windscale dragon of the A.E.A.—whose treason to the hellish dangers of their fellows (at the time of the reactor disaster there) has been pictured so unforgettably by Andrew Maxwell in *Contemporary Issues*†

"Furthermore," the all-unconscious but doubtless "distinguished" Dr. Sievert goes on, "radiation safety problems often demand repeated investigations in many countries, for the attainment of definite answers even to rather *trivial* questions."

Is it not time that this key function be taken out of the "important" hands of those who find issues of human survival "*trivial*"? Every scientist who grasps this, *must stop whatever else he is doing*. These **well-meaning nincompoops** are fast bringing what is so great and good in our science into disastrous disrepute.

It will not be long before the mass of men will see through these incompetences.

"You can fool some of the people all the time, and you can fool all of the people some of the time; but you can't fool *all* of the people, *all* of the time", said Lincoln.

You can't expect "the people" to distinguish between those scientists who are their friends, and those who are busy with "more rewarding" devilments. Unless scientists take part in the struggle

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† "The Accident at Windscale", Vol. 9, No. 38, April-May, 1958.

against the irresponsibility of far too many of their profession, it is possible that they may all live to see the day when scientists of every description are looked upon as "Enemies of the People".

Is it not strange how Ibsen's prophetic gift in his now-so-relevant drama, was guided to build it around the very issue that concerns us today: *the pollution of a life-essential of a community, and how "important" people found other considerations more pressing?*

Both scientists and laymen might well begin their needed re-education by a careful re-reading of Ibsen's masterpiece.

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## MATERIAL AND DOCUMENTS

### 1. Fall-Out by D. G. Arnott

*On 28th April last, Mr. Macmillan made a statement in the House of Commons in response to a request by Captain Pilkington that the Prime Minister show "how the latest information affects the estimate, first, of natural radiation, man-made radiation and nuclear test radiation, and secondly, of strontium 90; and to what extent any of these figures approaches danger level". We reproduce the relevant parts of the statement from HANSARD, Cols. 1,000—1,103. We are grateful to Dr. Arnott for permission to print the following comment which has already circulated in mimeographed form.*

1. The Prime Minister's statement (28th April) is based on this thesis: from summer 1958, the rate of fall-out in Britain was roughly doubled due to the wrong estimation of the residence-time of radioactive dust in the stratosphere. This, formerly given as about ten years, is now believed to be more nearly three to four. Since the same total quantity of Sr-90 is involved, all that has happened is that we are getting it more quickly; therefore there is less to come down. As a corollary, the findings of the U.N. Committee last year concerning Sr-90 accumulation may be pessimistic, since they were based on the longer residence-time. He concludes that Sr-90 concentration in British bones "is unlikely to approach the level which the M.R.C. advised in 1956 would require 'immediate consideration'". He also noted that a watch is being kept on accumulation

of plutonium, caesium-137 and carbon-14 (paras. 14-17)<sup>1</sup>. This is the first time that the last material has been considered worthy of notice in a report of this sort.

2. The increased rate of fall-out could equally well be due to another cause, not considered by the Prime Minister, namely that the size of the stratospheric reservoir of Sr-90 is considerably greater than the military scientists had estimated. Nothing in the statement precludes this explanation. On the other hand certain features of it underline its possibility.

3. The most outstanding feature of the statement is the uncertainties with which it is riddled. For example it refers to "inferences which have been made" concerning stratospheric residence-times (para. 1)<sup>2</sup>; to "suggestions" from the U.S. Department of Defence that this residence-time has been over-estimated (para. 5)<sup>3</sup>; and to fall-out from Russian tests which "possibly occurred more rapidly" because they took place at high latitudes (para. 7)<sup>4</sup>. All of these serve to

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1. "14. Attention is given also to other radioactive materials, for example caesium 137, plutonium and carbon 14. The extent of the effort devoted to the study of these substances is kept under regular review in the light of the changing fall-out situation.

"15. Results of measurements of caesium 137 in water, milk and the human body in the United Kingdom have been published. Caesium 137 is not readily taken up from the soil by plants and, unlike strontium 90, is not retained in the body for long periods. Its biological significance arises from genetic effects, the magnitude of which depends on the gonad dose incurred. This has been discussed in the report of the United Nations Scientific Committee on the Effects of Atomic Radiation (Chapters III, VI and VII). The dose to the gonads delivered by caesium 137 is small in relation to variations in natural radiation between different parts of this country.

"16. The incorporation into the body of plutonium from fall-out is small in importance compared with that of strontium 90, since plutonium is only very slightly absorbed from food. Both materials can be absorbed through inhalation, but this is a minor source of intake.

"17. For several years, measurements have been made of the concentration of carbon 14 in air and in biological material. Carbon 14 occurs naturally from the effects of cosmic radiation, but some also comes from weapon tests. This subject has been under consideration by the United Nations Scientific Committee (Document A/AC82/INF.3, 23rd July, 1958). The concentration of carbon 14 is being kept under review because of its long persistence, notwithstanding the very low rate of irradiation that it causes in the human body."

2. "1. The debris in the stratosphere resulting from test explosions of nuclear weapons contains radioactive materials, of which strontium 90 merits the most immediate attention. Their effect on the body has been discussed in authoritative reports, notably in the Medical Research Council's report entitled *The Hazards to Man of Nuclear and Allied Radiations* (Cmd. 9780, June, 1956) and in the report issued in August, 1958, by the United Nations Scientific Committee on the Effects of Atomic Radiation. The purpose of the present statement is to review the situation and to comment on inferences that have been made concerning the residence time of radioactive materials in the stratosphere".

underline the abysmal lack of exact knowledge which is the outstanding characteristic of the fall-out situation.

4. More serious, and indeed, of the highest possible importance, is the statement that there is no direct way of measuring the quantity of debris in the stratosphere, or of estimating the amount of fission-products which have been injected into the stratosphere by nuclear explosions. It is categorically stated that the methods tried "are not yet considered to be satisfactory" and are "insufficiently precise to give reliable estimates" (paras. 3a and 3b)<sup>5</sup>.

5. In default of direct estimates, reliance is placed (para. 3b) on

<sup>3</sup> "5. It has recently been suggested, notably by the U.S. Department of Defence, on the basis of an interpretation of their measurements, that the residence time of radioactive materials in the stratosphere has been over-estimated. If this were true, it would confirm that the estimates made by the United Nations Scientific Committee were unnecessarily pessimistic, since there would be less of this material at present in the stratosphere than those estimated. There is some evidence to suggest that debris may leave the stratosphere more quickly from explosions in high latitudes than from explosions nearer the Equator".

<sup>4</sup> "7. Once radioactive materials have left the stratosphere and entered the troposphere the local rate of deposition depends very largely on rainfall. Heavy rain tends to produce enhanced fall-out. This is certainly one of the factors responsible for the higher recorded measurements of fall-out in the summer of 1958. However, in subsequent months in which the rainfall in the United Kingdom was more nearly normal, the data so far available indicate that the rate continued high. There is evidence from the nature of the radioactive material deposited that this is likely to have been due to recent tests, presumably those conducted in the autumn by the U.S.S.R., the fall-out from which possibly occurred more rapidly because they took place in high latitudes. The so-called 'Argus' experiments conducted about the same time by the United States are understood to have been three low yield nuclear explosions at great heights; they therefore resulted in only a very small addition to the radioactivity already in the stratosphere".

<sup>5</sup> "3. The estimation of the fall-out likely to occur in the future depends, amongst other factors, on an assessment of the total amount of radioactivity in the 'stratosphere reservoir'. Such an assessment can be attempted in a number of ways, for example by:—

- (a) direct measurement of the quantity of debris in the stratosphere. The United States Department of Defence has carried out an extensive series of investigations, using balloon-carried measuring equipment for this purpose; but the results so far obtained are difficult to interpret and the method is not yet considered to be satisfactory.
- (b) estimating the amount of fission products which have been injected into the stratosphere by nuclear explosions, and measuring the worldwide deposition which has already taken place. It is considered that knowledge of these factors is insufficiently precise to give reliable estimates.
- (c) measuring the relative properties of shorter- and longer-lived fission products in fall-out at the time of deposition, so as to give a broad indication of the average length of time of residence of fission products in the stratosphere, and measuring the fission product fall-out rate. The estimate of the size of the reservoir obtained in this way is directly proportional to the assumed length of the residence-time.

measuring the relative proportions of the shorter and longer-lived fission products, so as to give a "broad indication" of the average length of time of residence of fission clouds in the stratosphere. (This method, worked out by Hunter and Ballou some years since, enables one to estimate the age of any fission cloud.) The statement goes on: "The estimate of the size of the reservoir obtained in this way is directly proportional to the assumed length of the residence-time".

After considering the matter carefully, I can see no simple or reliable way of relating fission-cloud age to total size of reservoir<sup>6</sup>. Moreover the method has already produced a threefold error in estimating the residence-times, as is in effect admitted in the statement. This error will be "built in" to any calculation of reservoir size which is based on it.

6. The effect of this is that we thus have no reliable information concerning the quantities of radioactive matter formed by nuclear explosions. The "broad indications" given may be widely in error; and the whole tenor of the Prime Minister's statement suggests that they probably are so.

7. In support of that view is the fact that, in so far as official published data are available, even the estimates of megatonnage made before the firing of nuclear tests are so wide of the mark that they are more properly to be regarded as guesses. The famous test of 1st March, 1954, released 14 megatons (supposing the measurement of this figure to be correct) where 2-4 were predicted. This is not an isolated example.

8. Subsequent to his statement the Prime Minister, in reply to questions, said three things which are deserving of comment:

(a) The level of exposure of British citizens to fall-out radiation is 1-2 per cent of the natural background. It should be noted, in considering that figure, that the corresponding figure in the M.R.C. 1956 Report is "less than 1 per cent".

(b) The Prime Minister further suggested that there has been, so

<sup>6</sup> "4. The Report of the United Nations Scientific Committee on the Effects of Atomic Radiation contains, in paragraph 97 of Annex D, the following observations on this subject:

"Analysis of fall-out material has shown that strontium 90 can remain in the stratosphere for many years before being deposited on the earth. The depletion mechanism of the stratospheric reservoir is not yet adequately known. It has been estimated from measurement of fall-out rate and stratospheric content that the annual strontium 90 fall-out is about 12 per cent of the stratospheric content. This annual fraction corresponds to a mean residence-time of about eight years which is in agreement with a value of ten plus or minus five years derived from unpublished data. The concept of a constant fractional removal per year of the stratospheric content is inconsistent with meteorological principle. However, nothing better can be offered at present. If the concept is to be used, a mean residence time of about five years appears to be the best value and a reasonable upper limit is about ten years. The latter value has been used in the calculations to follow, since it tends to yield results on the pessimistic side."

far, no known case of leukaemia caused by fall-out Sr-90. This is true as far as it goes, and always will be true that far. Leukaemia so caused is indistinguishable from leukaemia arising in other ways; so that the only possible way of detecting the leukaemogenic effects of Sr-90 will be an eventual rise in the world death rate from this cause. It is unlikely that such a rise will ever be detectable, even if present, on account of prevailing world conditions such as uncertainties of diagnosis, etc.

(c) The Prime Minister suggested that the fall-out position may be worse elsewhere in the world, on account of other causes. He is presumably referring to the fact, revealed by the U.N. Committee last year, that those whose dietary calcium intake is dependent on cereals, especially rice, rather than milk, are accumulating Sr-90 at six times the rate experienced by those dependent on milk-calcium. The U.N. Committee concluded that, on the assumption that tests stopped at the end of 1958, the Sr-90 concentration in the bones of rice-eaters would exceed the "immediate consideration" figure in course of time. The figures are these:

1 Strontium Unit = 1 micromicrocurie Sr-90/gm. calcium.

Max. Permissible occupational level = 1,000 S.U.

Ditto, population = 100 S.U.

"Immediate Consideration" level = 10 S.U.

Bone-contamination irreversibly

incurred from tests till December, 1958

Milk Diet = 2.3 S.U.

Rice Diet = 13.7 S.U.

The U.N. Committee made correspondingly more pessimistic estimates on the assumption that tests did not stop; these need not concern us here. The Prime Minister's contention that the estimate detailed above is pessimistic can only be sustained if he has definite information concerning the size of the stratospheric Sr-90 reservoir as well as the fall-out time. His statement shows that he has neither.

10th May, 1959.



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